VOL 13 No 3 MARCH 1983

SURVEY of Current Affairs

Government and Administration

New Parliamentary Constituencies 91

By-election and State of the Parties 91

Recent Legislation 92

Review of Prevention of Terrorism Act 92

Immigration Rules Approved 96

External Affairs and Defence

British Aid Statistics 98

European Community Budget 100

Shorter Note

Overseas Students 101

Economic and Scientific Affairs

The Budget 1983-84: a Summary 103

Agriculture 104

Ports 107

Telecommunications 108

Biotechnology 109

Shorter Notes

Industrial Area Improvement 111; Small Businesses Campaign 112; Freeports 112; Voluntary Work by Unemployed People 112; The Steel Industry 113; British Shipbuilders 113; BL Ltd 113; Project Universe 114; Infrared Astronomical Satellite 114; Microelectronics Education Programme 115

Documentation 116

RECEIVED
The University of Alabama
LIBRARY
MAY 24 1983
SERIAL DEPARTMENT

Prepared for the Foreign and Commonwealth Office by the Central Office of Information and published by Her Majesty's Stationery Office, London

Annual subscription including postage and index £20.86

The *Survey of Current Affairs* is produced primarily for use overseas, but in response to requests has also been made available in Britain. Subscription and distribution inquiries should be addressed to Her Majesty's Stationery Office, P.O. Box 569, London SE1 9NH, and editorial inquiries to Reference Services, Publications Division, Central Office of Information, Hercules Road, Westminster Bridge Road, London SE1 7DU. Although the material is Crown Copyright, it may be reproduced without special permission.
Other documents produced by Reference Services, if not on sale through Her Majesty's Stationery Office, may be obtained direct from Distribution Unit (Overseas), Publications Division, Central Office of Information, at the above address on payment of a small charge.

GOVERNMENT AND ADMINISTRATION

New Parliamentary Constituencies

The recommendations made by the four parliamentary Boundary Commissions for changes to constituencies in Britain have been approved by Parliament.[1] The recommendations, which will increase the number of constituencies from 635 to 650, will come into force at the next general election, and will not, therefore, affect any by-elections held before then.

Background

Four separate and politically impartial parliamentary Boundary Commissions, one each for England, Scotland, Wales and Northern Ireland, are required by law to keep under review the distribution of seats for parliamentary elections in their part of the country and to conduct general reviews of parliamentary constituencies at intervals of not less than ten nor more than 15 years, recommending any redistribution of seats that may seem necessary in the light of population movements or other changes.

In making recommendations, the Boundary Commissions must, as far as possible, take account of local ties and local government boundaries (wards in Northern Ireland) without causing excessive disparities between the sizes of electorates within constituencies. The Commissions' final recommendations are made in reports submitted to the appropriate Secretary of State, who is required to lay the report, together with a draft Order-in-Council giving effect to its recommendations, before Parliament for approval. The last general reports of the Commissions were submitted in 1969 and approved by Parliament in 1970.

The Reports

Brief details of the latest general reviews are as follows. The Boundary Commission for England, whose review began in 1976 and was approved by Parliament in March (see *Hansard*, Vol 38, Nos 70-1, cols 249-355), recommended changes to 468 of the present 516 constituencies and an increase of seven to a total of 523 constituencies in England.

The Commission for Scotland, whose review was begun in 1978 and approved by Parliament in March (see *Hansard*, Vol 38, No 71, cols 426-65), recommended changes to 69 of the existing 71 constituencies and an increase of one to a total of 72 constituencies in Scotland.

The Commission for Wales, whose review was begun in 1981 and approved by Parliament in February (see *Hansard*, Vol 37, No 64, cols 753-73), recommended changes to 33 of the present 36 constituencies, and an increase of two to a total of 38 constituencies in Wales.

The proposals of the Commission for Northern Ireland, begun in 1976 and approved by Parliament on 15 December 1982, recommended changes to all the existing constituencies and an increase of five to a total of 17 constituencies in Northern Ireland.

As a result of the recommendations, the number of parliamentary constituencies in Britain, and thus the number of Members of Parliament in the House of Commons, will increase from the present 635 to 650.

The radical nature of the Commissions' recommendations is the result partly of the effects of the major reorganisation of local government areas in the 1970s which created new districts, some new counties and six wholly new metropolitan counties; partly of an increase in the size of the electorate, chiefly through the lowering of the voting age from 21 years to 18 in 1969; and partly of the continuing movements in population which had created large disparities between the size of electorates within constituencies.

[1] *Boundary Commission for England: Third Periodical Report*. Vol One: Report. Cmnd 8797-1. HMSO, £12·85. ISBN 0 10 187970 9. Vol Two: Maps. Cmnd 8797-11. HMSO, £32. ISBN 0 10 187971 7.

Third Periodical Report of the Boundary Commission for Scotland. Two Vols (Report and Maps), Cmnd 8794. HMSO, £20. ISBN 0 10 187940 7 (Vol One) and ISBN 0 11 187940 7 (Vol Two).

Boundary Commission for Wales: Third Periodical Report. Cmnd 8798. HMSO, £15·30. ISBN 0 10 187980 6.

Boundary Commission for Northern Ireland: Third Periodical Report on Parliamentary Constituencies and First Supplementary Report on the number of members to be returned to the Northern Ireland Assembly by each of those constituencies. Cmnd 8753. HMSO, £4·80. ISBN 0 10 187530 4.

By-election and State of the Parties

Details of the result of a recent by-election and the present state of the parties in the House of Commons are given below.

The Liberal-Social Democratic Alliance gained the seat at Southwark, Bermondsey, in a parliamen-

tary by-election on 24 February. The seat became vacant when its holder, the Independent Labour MP, Mr Robert Mellish, resigned from Parliament in November 1982. The Alliance candidate, Mr Simon Hughes, who will sit in the House as a Liberal MP, won by a majority of 9,319 votes.

The results were as follows:

S. Hughes (Liberal-Social Democratic Alliance)	17,017
P. Tatchell (Labour)	7,698
J. O'Grady (Real Labour)	2,243
R. Hughes (Conservative)	1,631

Twelve other candidates between them received a total of 900 votes; they, the Real Labour and the Conservative candidates all lost their deposits. Some 58 per cent of the electorate voted.

At the last general election in May 1979, the seat was held by the (then) Labour MP, Mr Robert Mellish, who polled 19,338 votes, followed by the Conservative candidate with 7,582 votes and the Liberal candidate with 2,072 votes. Some 59 per cent of the electorate voted. Mr Mellish resigned from his party to sit in the House as an Independent Labour member in August 1982.

State of the Parties

As a result of the by-election and the deaths in February of Mr Michael Roberts, Under-Secretary of State for Wales and Conservative MP for Cardiff, North-West, and of Mr Edward Fletcher, Labour MP for Darlington, the state of the parties in the House of Commons is now as follows:

Conservative	332
Labour	238
Social Democratic	29[1]
Liberal	13
Scottish National	2
Plaid Cymru (Welsh Nationalist)	2
Official Unionist (Northern Ireland)	5
Democratic Unionist (Northern Ireland)	3
United Ulster Unionist (Northern Ireland)	1
Ulster Popular Unionist (Northern Ireland)	1
Socialist (Northern Ireland)	1
Anti-H-Block Proxy Prisoner (Northern Ireland)	1
Labour Independent	1[1]
Vacant	2
TOTAL	631

The four remaining seats are held by the Speaker of the House of Commons and his three deputies (the Chairman of Ways and Means and the first and second Deputy Chairmen of Ways and Means), who do not vote except in their official capacity in the event of a tie. The Government majority over all other parties is 35, although the Anti-H-Block Proxy Prisoner (Northern Ireland) MP has not taken his seat.

[1]In February the Social Democratic MP for Islington, North, Mr Michael O'Halloran, resigned from his party to sit in the House as a Labour Independent member.

Recent Legislation

The public Acts of Parliament passed between November 1982 and March 1983 are listed below.

Agricultural Marketing Act 1983 (see pp 32-3, 1983). Royal Assent: 1.3.83. Ch 3, ISBN 0 10 540383 0, HMSO, £2·10.

Commonwealth Development Corporation Act 1982 (see p 26, 1983). Royal Assent: 22.12.82. Ch 54, ISBN 0 10 545482 6, HMSO, £1·25.

Consolidated Fund Act 1983. Gives parliamentary authority for sums to be issued out of the Consolidated Fund to meet the Government's expenditure requirements. Royal Assent: 8.2.83. Ch 1, ISBN 0 10 541083 8, HMSO, 30p.

Electricity (Financial Provisions) (Scotland) Act 1982. Increases the borrowing limits of the electricity boards in Scotland. Royal Assent: 22.12.82. Ch 56, ISBN 0 10 545682 9, HMSO, 35p.

Lands Valuation Amendment (Scotland) Act 1982. Amends the definition of the expression 'machinery fixed or attached' in the Lands Valuation (Scotland) Act 1854. Royal Assent: 22.12.82. Ch 57, ISBN 0 10 545782 5, HMSO, 35p.

National Insurance Surcharge Act 1982. Reduces surcharge imposed by the National Insurance Surcharge Act 1976 (see p 10, 1977). Royal Assent: 22.12.82. Ch 55, ISBN 0 10 545582 2, HMSO, 75p.

Pig Industry Levy Act 1983. Authorises the imposition of a levy in the pig industry to meet costs incurred by the Government in exercising powers under the Animal Health Act 1981 in relation to the disease of pigs known as Aujeszky's disease. Royal Assent: 1.3.83. Ch 4, ISBN 0 10 540483 7, HMSO, £1·25.

Representation of the People Act 1983. Consolidates the law relating to elections and electoral procedure in all parliamentary and local government elections in Britain, with the exception that the local government provisions do not apply to Northern Ireland. Royal Assent: 8.2.83. Ch 2, ISBN 0 10 540283 4, HMSO, £8·50.

Review of Prevention of Terrorism Act

The Prevention of Terrorism (Temporary Provisions) Act 1976 has been renewed for a further year in the House of Commons against the background of the publication of Lord Jellicoe's review of the legislation.[1] Lord

[1]*Review of the Operation of the Prevention of Terrorism (Temporary Provisions) Act 1976 by The Rt Honourable Earl Jellicoe, DSO, MC.* Cmnd 8803. HMSO, £8·30. ISBN 0 10 188030 8.

Jellicoe made a number of recommendations, which the Government has accepted, for introducing further safeguards into the operation of the Act. The Home Secretary has also agreed to the proposal that new legislation to deal with terrorism should be introduced, which will be subject to annual renewal and have a limited span of five years. Lord Jellicoe's recommendation that the special powers of arrest should be extended to suspected international terrorists is being considered by the Government.

Main Provisions of the 1976 Act

The Prevention of Terrorism (Temporary Provisions) Act 1976 empowers the Home Secretary to make exclusion orders against anyone connected with terrorism who is not a British citizen normally resident in Great Britain or Northern Ireland to prevent him or her from entering Great Britain, Northern Ireland or the United Kingdom as a whole. It provides a procedure for the subject of an exclusion order to make representations against it to an independent adviser, although the final decision rests with the Secretary of State. The Act gives the police powers to arrest without warrant a person suspected of involvement in terrorism and to detain that person for up to 48 hours or, by the direction of the Secretary of State, up to seven days. It also provides for a security control over travellers at ports; allows for the proscription of terrorist organisations and makes it an offence to withhold information about acts of terrorism. The 1976 Act replaced and widened the provisions of the Prevention of Terrorism (Temporary Provisions) Act 1974 which also allowed for the detention of suspected terrorists and for exclusion orders.

PARLIAMENTARY DEBATE

Lord Jellicoe's review of the Prevention of Terrorism (Temporary Provisions) Act 1976 (see p 102, 1982), which was published on 9 February, was debated in the House of Commons on 7 March (*Hansard*, Vol 38, No 73, cols 566-644). At the same time the House voted by 217 to 129 in favour of renewing the Act, which is subject to annual renewal, for a further year.

Home Secretary's Speech

Opening the debate, the Home Secretary, Mr William Whitelaw, said that the review by Lord Jellicoe had been announced at the renewal debate last year. The official Opposition had looked to Lord Jellicoe to consider whether the Act achieved the right balance between the safety of the public and the rights of the individual. The review levelled criticism at the legislation and proposed constructive solutions.

Lord Jellicoe's report recommended that legislation of this nature should require periodic full re-enactment by Parliament in addition to annual renewal. It should have a maximum life-span of five years so that further legislation beyond that period would require a new Bill. This would ensure that parliamentary scrutiny of the legislation could provide the ultimate safeguard as to the use of powers.

The report also recommended that the powers of arrest, both generally and at ports, should apply to suspected international terrorists of any group, cause or nationality as well as to terrorists connected with Northern Ireland. Lord Jellicoe accepted the argument that the Irish community might view the present legislation as anti-Irish rather than anti-terrorist. He had said that he was satisfied that the powers of arrest in the Act had been of considerable benefit in dealing with Northern Irish terrorism. This being so he believed that the legislation should be available for dealing with international terrorism. The report drew attention to the increasing threat from international terrorism within the United Kingdom. It referred to the forging of international links by Northern Ireland terrorist groups and to incidents on the mainland unconnected with Northern Irish affairs.

Lord Jellicoe made a series of recommendations which would be effective safeguards against unnecessarily long extensions of detention under the Act. If these became law it would be possible for the Secretary of State to grant an extension for less than the full five days knowing that he might grant a further extension provided that the total period in detention did not exceed seven days. This should encourage the police to apply for an extension for the time that they thought they would need on the available information.

The report contained important recommendations about the treatment of detained persons to ensure that they had fully adequate access to a solicitor and that their rights concerning the notification of a friend or relative were made explicit. Mr Whitelaw said that, subject to the views of the House, he intended to give effect to those recommendations in respect of England and Wales in the Police and Criminal Evidence Bill at present before Parliament (see p 419, 1982).

On the question of port controls, Lord Jellicoe recommended that if a person was examined for longer than one hour he should be given a notice of his rights. He also recommended that examining officers should lose the right to examine a passenger 12 hours after the start of the examination unless they had formed a reasonable suspicion that the suspect was guilty of an offence under the Act, was concerned in terrorism or was subject to an exclusion order.

Turning to Lord Jellicoe's recommendations concerning exclusion orders, Mr Whitelaw said that under the present legislation an exclusion order could not be made prohibiting a British citizen from entering a port of the United Kingdom if he had been ordinarily resident there for 20 years. The report recommended a major change in that provision to ensure that a British citizen should not be liable to exclusion from that part of the United Kingdom in which he was settled, 'settled' being defined as ordinarily resident for a continuous period of three years. This proposal was designed, among other things, to prevent the use of exclusion powers causing significant hardship to the family of the excluded person.

The report contained detailed suggestions for making more effective the system of review of an

exclusion order by an adviser. Lord Jellicoe pointed out that one-third of the orders reviewed by an adviser had been revoked. This led him to conclude that the review system was a real safeguard. But he recognised that representations, including an interview with the adviser, required the subject to remain for a further period in custody in order to take advantage of the arrangements. This would be eliminated by providing for a personal interview with the adviser after a subject has been removed within the United Kingdom or to the Republic of Ireland. Lord Jellicoe also recommended that exclusion orders should have a fixed term of three years. If, after that length of time, exclusion was still thought necessary, the whole process should be followed again to ensure fresh scrutiny of the case for exclusion.

The Government accepted many of Lord Jellicoe's recommendations for immediate implementation. Effect had already been given to the proposal that the Home Secretary rather than the responsible junior minister should consider applications from the police for an extension of detention under the Act. Several of the recommendations could be implemented administratively and, subject to the views of Parliament, the Government was ready to give effect to them without delay.

However, Mr Whitelaw explained, the most significant recommendations required new legislation and he intended to introduce a Bill which would be subject to annual renewal and have a limited span of five years. On the scope of the powers of arrest and to make exclusion orders to be contained in the Bill, he would remain uncommitted for some weeks while consultations were taking place.

Lord Jellicoe had concluded that special legislation should be continued as long as a substantial terrorist threat remained. This was the view shared by the House since the 1974 Act was introduced in the wake of bombings in Birmingham that killed 21 people. At that time the then Home Secretary, Mr Roy Jenkins, said that he had tried to steer between two dangers, the first of failing to take effective and practical steps to deal with terrorism and the second of over-reacting and seriously damaging respect for human freedom and dignity. Mr Whitelaw said he now sought renewal for the 1976 Act after a year that had seen further terrorist outrages. The legislation was a vital instrument in frustrating acts of terrorism and he recommended that its powers should be kept for another year. He believed that the current legislation provided a measured, sensible and constructive response to the threat of terrorism but he also believed that its powers were unwelcome and made sad inroads into the cherished tradition of civil liberties. It was for these reasons that Lord Jellicoe was appointed to scrutinise the Act, and renewal of the present legislation was sought against the background of his findings.

Opposition Views

The official Opposition spokesman on home affairs, Mr Roy Hattersley, said that Lord Jellicoe's report faced the dilemma of a society which, on the one hand, had to deal with the threat of terrorism but on the other was determined to maintain its civil rights. He believed, however, that in the critical question of balance between protection and liberty Lord Jellicoe came down on the wrong side of the argument. Neither the Home Secretary nor Lord Jellicoe had shown that the powers were necessary and effective and needed to be operated in the terms the Home Secretary described.

Lord Jellicoe's report drew attention to the increasing threat of international terrorism but nothing in the report made a convincing case that the Act was necessary to combat it or that the authorities would have been better equipped to combat it over the past nine years if the Act could have been applied to it. By supporting these powers year after year Parliament was being asked to make them permanent.

Mr Hattersley asked whether the police, acting on no authority but their own, should be given the power to arrest and detain, whether the Home Secretary should be allowed to extend the detention and whether Parliament should accept that there were times when the security services should treat people as if they had been convicted. According to Lord Jellicoe's report the result of putting such principles into operation had been that only 15 out of every 100 suspected inland detainees were charged in 1982, and only five out of every 100 suspects detained at ports.

The hub of the debate, said Mr Hattersley, seemed to be Lord Jellicoe's assertion that the most important assistance that the police could have in the fight against terrorism were not the special powers but the support of the public. It was vital that such powers did not unnecessarily alienate any section of the law-abiding population. Terrorists could be beaten only by scrupulous and clearly visible support for the rule of law, not by descending to their own contempt for the normal judicial procedures. Lord Jellicoe had been explicit in saying that the Act should remain in force only while it continued to be effective, if its aims could not be achieved by use of the general law, if it did not make unacceptable inroads into civil liberties and if it incorporated effective safeguards. He believed that the measures failed in all of these tests and he would vote against their renewal.

The Leader of the Social Democratic Party, Mr Roy Jenkins, said that members on both sides of the House regretted that legislation that was regarded as temporary had become fairly long-lasting. Lord Jellicoe had concluded that almost every provision in the Act had had a practical use. The only issue about which he expressed doubt was the question of proscription. He agreed that it was right for the Home Secretary to accept almost the whole of Lord Jellicoe's recommendations subject to some future consultations. It was realistic to drop the words 'temporary provisions'. This was not the year to abandon the Act altogether and the Social Democratic Party would support the Home Secretary.

Mr William Pitt, speaking for the Liberal Party, said that 1982 was the worst year since 1975 for terrorist outrages. He supported renewal for one further year only, though not with enthusiasm. He

was a firm believer in a united Ireland but did not believe it would be achieved through terrorism. Before the Act was due for renewal next year there should be new legislation incorporating all the civil liberty safeguards recommended in Lord Jellicoe's report.

LORD JELLICOE'S REPORT

In the opening chapters of his report Lord Jellicoe discusses the need for the Prevention of Terrorism (Temporary Provisions) Act 1976. He states that if special legislation effectively reduces terrorism, as he believes it does at present, it should be continued as long as a substantial terrorist threat remains. However, legislation of this type should remain in force only while it continues to be effective, only if its aims cannot be achieved by use of the general law, if it does not make unacceptable inroads into civil liberties, and if effective safeguards are provided to minimise the possibility of abuse.

The major trend of terrorism beyond the context of Northern Ireland is its increasing 'internationalisation'. This has had two aspects: the growing international links of terrorist groups associated with Northern Ireland, and an increase in the number of terrorist incidents in Great Britain unconnected with Northern Ireland.

Lord Jellicoe considers that the Act should require annual renewal as at present, but should have a maximum duration of five years, without the possibility of further extension. Any further counter-terrorist legislation would require a new Bill. Re-enactment should be preceded by a review of the Act's operation and consideration of suggested amendments.

'Temporary Provisions' should be removed from the short title of the Act.

Terrorism in the United Kingdom

The report says that throughout the last ten years the dominant terrorist organisation in Northern Ireland has been the Provisional IRA; in recent years the Irish National Liberation Army has carried out a number of particularly vicious attacks. On the Loyalist side, the Ulster Volunteer Force and the Ulster Freedom Fighters have been the most significant groups. Over 2,000 deaths have been attributable to terrorism in Northern Ireland since 1972. This was the worst year for terrorist activity and the level of violence remained high throughout the mid-1970s. Since 1977 there has been a substantial decline in the number of murders. In 1972, 12,000 shooting and bombing incidents were recorded; by the late 1970s this had been reduced to about 1,000 a year. Although such activity is at a lower level, terrorism still poses a severe threat to the economic, political and social stability of Northern Ireland. The killings in the public house in Ballykelly (see p 5) were a reminder of the ruthlessness of the terrorists and a warning against complacency.

In terms of both incidents and casualties the mainland of Great Britain has suffered substantially less than Northern Ireland, about 100 people having been killed in Great Britain by terrorist action since 1972. The worst years were also in the early and mid-1970s, but the London park bombings in July 1982 [in which 11 people were killed and 60 injured] made last year the worst since 1975 in terms of deaths and serious injuries.

The most notable trend in Great Britain has been the increasing threat posed by international terrorism. Since 1978 the police on the mainland have had to deal with as many acts of terrorism unrelated with Northern Ireland as those on behalf of the Republican or Loyalist cause. The Iranian Embassy siege of 1980 (see p 154-5, 1980), the hijacking of a Tanzanian aircraft to Stansted Airport in February 1982 (see p 76, 1982) and the attempted murder of the Israeli Ambassador in June 1982 were the most widely reported incidents.

Provisions of the Act

The report goes on to examine the operation of the legislation; its main conclusions and recommendations are as follows.

Arrest and Interrogation

If the power of extended detention were abolished, the police both in Northern Ireland and on the mainland would be seriously handicapped in dealing with terrorists. It is valid to arrest and if necessary extend the detention of someone suspected of involvement in terrorism where the arrest and extension are primarily for the purpose of gaining information about terrorism.

The police should be reminded by the appropriate Secretary of State that the power of arrest under the Act should be exercised only where the use of no other power is appropriate.

Wherever possible, applications for extended detention should specify the period required (which in many cases ought to be less than a full five days), and justify this by reference to the results anticipated. The Secretary of State should grant an extension of detention for a full five days only when he is satisfied that this is necessary. It should, however, remain open to him to grant an extension for less than five days in the first instance and then, on a further application from the police, extend this by a further period, provided that the total period in detention, as at present, does not exceed seven days. Where circumstances permit, all applications for extended detention should be seen and approved by the appropriate Secretary of State personally, and not by a junior minister alone.

The power of arrest should be available for use against suspected international terrorists of any group, cause or nationality, but it should not be so available in respect of domestic terrorism unconnected with Northern Ireland.

Subject to additional or alternative provisions relating to welfare, access to legal advice and the right not to be held incommunicado, all provisions of the Home Office draft code relating to the treatment of persons in police custody should apply to persons arrested or detained under the Prevention of Terrorism Act in England and Wales. The provisions of the draft code, in so far as they are to be applied to persons arrested or detained under the 1976 Act, should be incorporated in the general orders of Scottish police forces. All pris-

oners arrested under the 1976 Act in Northern Ireland should be given a printed notice of rights for their retention; this requirement should be added to the appropriate section of the Code of the Royal Ulster Constabulary.

The absolute right of access to a solicitor after 48 hours' detention under the emergency legislation, which applies in Northern Ireland, should apply also throughout Great Britain. Persons detained under the Act for more than 48 hours anywhere in the United Kingdom should be entitled to legal advice on a similar financial basis to 'ordinary' suspects in England and Wales under the proposals in the Police and Criminal Evidence Bill. Persons detained should also be allowed to consult privately with a solicitor and to have a friend or relative informed of their whereabouts unless there are grounds to believe that such contacts would hinder police investigations.

The Port Powers

The report says that while there remains a significant threat from terrorism related to Northern Ireland, it will be necessary to retain port controls in something like their present form. Any-one examined at a port for more than one hour – whether or not it has been necessary formally to detain him – should be handed a notice of rights, and should be invited to sign to acknowledge receipt. An examining officer should lose the right to examine (and detain) a passenger 12 hours after the start of examination unless he has by that time formed a reasonable suspicion of one of the matters covered by the Act. If he has formed such a suspicion and wishes to examine and detain the passenger further, he should be obliged to serve a notice to this effect and to invite the passenger to sign for this.

The application of the powers should be extended to cover suspected international terrorists of any group, cause or nationality.

Landing and embarkation cards should be completed by all passengers on commercial flights and sailings between Great Britain and the island of Ireland.

All examining officers – and all other officers who may be called upon to carry out such functions – should receive training in the techniques of questioning suspected terrorists.

Exclusion

On the question of the powers in the Act to make exclusion orders against persons concerned in terrorism related to Northern Ireland the report says that the statistics suggest that exclusion is used increasingly rarely in Great Britain, and more rarely still against people who are settled in Great Britain. The exclusion of some people under these powers has materially contributed to public safety in the United Kingdom; this could not have been achieved through the normal criminal process. The power to exclude should remain available to the Secretary of State in extreme cases.

British citizens should not be liable to exclusion from that part of the United Kingdom in which they are settled. 'Settled' might be defined as ordinary residence for a continuous period of three years immediately prior to consideration of exclusion.

Exclusion is a matter of public policy, and the final decision must remain that of the Secretary of State, answerable to Parliament, and not that of any judicial authority.

The subject of an exclusion order should be entitled to make representations against the order within seven days (rather than 96 hours as at present) and to have a personal interview with the Secretary of State's adviser despite the subject's removal. The right to an interview should apply to all persons excluded – whether from Great Britain, Northern Ireland or the United Kingdom as a whole – provided that they have been removed within the United Kingdom or to the Republic of Ireland. When an exclusion order is served, the subject should receive also a notice of his right to make representations.

Exclusion orders should have a fixed term of three years. If it is considered necessary to continue an individual's exclusion beyond three years, this should be done on the basis of a fresh application by the police, detailing recent intelligence on him and setting out the reasons why exclusion remains necessary; a fresh exclusion order signed by the Secretary of State would be required for exclusion to last beyond three years.

Proscription

The report says that proscription of organisations connected with terrorism has had some, albeit relatively limited, beneficial effects. There should be no additions to the list of proscribed organisations in the absence of a clear and demonstrable need for this. (The provision of the Act relating to proscription relates only to Great Britain where the Irish Republican Army – both Provisional and Official wings – and the Irish National Liberation Army are proscribed. The proscription of organisations in Northern Ireland is governed by the Northern Ireland (Emergency Provisions) Act 1978.)

Immigration Rules Approved

A revised statement of changes in the immigration rules was approved by the House of Commons on 15 February. The new rules, which took effect from 16 February, contain amendments relating to the arrangements for admitting the husbands and fiancés of British citizens for settlement in Britain and replace the rules which failed to win the approval of the House in December 1982.

Proposed changes in the immigration rules were set out in the White Paper, *Proposals for Revision of the Immigration Rules*, Cmnd 8683, published in October 1982 (see pp 342-3, 1982). The *Statement of Changes in Immigration Rules (HC 66)* laid before the House of Commons on 6 December failed to win the approval of the House on 15 December (see pp 5-6). A revised state-

ment[1] was laid before the House of Commons on 9 February and was approved on 15 February.

A motion to disapprove the revised statement which was introduced by Mr Roy Hattersley, official Opposition spokesman on home affairs, was defeated by 298 votes to 261 (*Hansard*, Vol 37, No 59, cols 180-252). The revisions relate to the safeguards against marriage being used as a means of entering Britain: the length of time a husband would have to stay in Britain before a decision to allow him to stay permanently is taken is reduced from two years to one; and the breakdown of the marriage for which a man was allowed to enter is removed from the grounds of deportation. The new rules retain, however, the provision that it should be for the applicant husband or fiancé to show that he qualifies for permission to enter or remain in Britain rather than for immigration officials to show that he does not.

Debate on Revised Rules

Introducing the motion to disapprove the revised statement, Mr Hattersley said that the Labour Party would oppose the rules because they discriminated against women; they discriminated against the black and Asian British; they cast doubt upon the status of children born in Britain; and – the focus of the present debate – because of the provisions they made for women who were British either by birth or registration and who wished to marry foreign nationals. The shift of the onus of proof from the immigration authorities to the applicant illustrated the Government's inability to distinguish between an arranged marriage and a bogus marriage. Many members knew that arranged marriages were genuine, stable and permanent and this provision would prevent many genuine marriages.

Mr William Pitt said that Liberal members would vote against the rules, which were sexist and racist and were primarily aimed at one minority section of society, many of whom were British citizens, though black and brown. Mr Ivor Stanbrook, one of the Conservative backbenchers who voted against the rules, said that the Government had abandoned its pledge of a firm immigration policy. The country should not open fresh doors to create new categories of entry. A Social Democratic Party member, Mr Ian Wrigglesworth, said that the new rules were discriminatory on grounds of race and sex. The Conservatives should consider the impact they would have on family life.

The Home Secretary, Mr William Whitelaw, said that in the December debate there was a great deal of discussion about safeguards against marriage being used as a means of entering Britain. He had considered the question in the light of the debate and had taken account of the views, expressed on both sides of the House, that it was unreasonable to delay a grant of settlement for a period of more than a year. He had therefore restored the earlier rule under which a husband could be granted settlement at the end of one year. At the same time he had omitted the change in the rules of deportation which would have meant that a husband could be deported irrespective of the reasons for the breakdown of the marriage or the length of residence in Britain. On the other hand, he believed it right to retain the new safeguard which placed the onus on an applicant to show that he qualified to come to Britain under the rules.

It was important to set the debate on the rules, which was centred on husbands and fiancés, in a wider context, said Mr Whitelaw, and to remind the House of what the Government's policies of strict immigration control had achieved. The statistics for acceptance last year were the lowest since Commonwealth immigration control began 20 years ago. The great majority of those accepted were wives and dependent children of men already settled in Britain. The queues of dependants waiting to come to Britain from the South Asian sub-continent had become very much shorter and were now less than half of what they had been at the beginning of 1979. The criteria for the grant of work permits had been tightened and permits were now available only for people with scarce skills. The Government remained committed to strict immigration control and its policy would be subject to continuous re-examination in the light of changing circumstances.

[1] *Statement of Changes in Immigration Rules* (HC 169). HMSO, £3·80. ISBN 0 10 216983 7.

EXTERNAL AFFAIRS AND DEFENCE

British Aid Statistics

Figures published in February show that Britain's official aid programme in 1981 was the fifth largest among the industrialised countries and represented a larger proportion of gross national product than those of the United States or Japan.

The figures, published in the annual *British Aid Statistics*,[1] reflect the British Government's commitment to maintain a substantial aid programme within the limits of its economic circumstances. They also show that the total flow of resources, public and private, from Britain to the developing countries was the third largest, being exceeded only by the United States and Japan. Over the last few years, this flow has grown far more rapidly than that of any other industrialised country. (Britain is the world's second largest overseas investor, with just over a fifth of its overseas assets located in developing countries.)

Total Official Flows

Total official flows of British aid to developing countries in 1981 amounted to over £1,605 million gross. Of this, £1,084 million represented public expenditure on overseas aid.[2] The relationship between these two concepts in gross and net terms is shown in the table on p 99.

The main difference between the two categories arises from the different ways of treating contributions to international aid agencies. In public expenditure on overseas aid, promissory notes to such agencies are recorded on an encashment basis; that is, only the amounts actually drawn upon by the agencies are recorded. In international reporting, however, a deposit basis is used; the deposit of the promissory note is taken to represent a flow and, therefore, the total amount is reported. This method, which was introduced in 1979 to achieve fuller comparability in reporting by aid donors, generally has the effect of increasing the value of total official flows significantly above the level of public expenditure on overseas aid. This does not mean, however, that the size of financial flows has risen, but simply that the time of reporting such flows was different.

International Targets

Britain's aid represents part of a global effort to raise living standards in developing countries. Aid performance to this end is usually measured against one of two internationally recognised targets. The first, embodied in the Strategy for the Second United Nations Development Decade (1971-80) adopted by the UN General Assembly in 1970, calls for net flows of official development assistance to be at least 0·7 per cent of gross national product (GNP). Britain has accepted this target in principle without commitment to a target date, progress being dependent on Britain's own economic situation and other calls on its resources. In 1981 Britain's net official development assistance totalled £1,082 million or 0·44 per cent of GNP compared with £796 million in 1980 (0·35 per cent of GNP). The average performance for all donor countries in membership of the Development Assistance Committee[1] in 1981 was 0·35 per cent of GNP.

The other international target adopted by the United Nations Conference on Trade and Development in 1968 calls for all flows, both private and official, to developing countries to represent at least 1 per cent of GNP. In 1981 Britain's total flows amounted to an estimated £4,987 million, or 2·01 per cent of GNP, giving Britain the joint third highest performance (with France and after Belgium and Switzerland) among Development Assistance Committee members. The average performance of the Committee's members was an estimated 1·21 per cent.

Private flows, which have increased considerably since 1974 due mainly to increased foreign currency lending by banks resident for balance of payments purposes in Britain, consist mainly of long-term investment and export credits. These totalled an estimated £3,731 million in 1981, and included some £50 million in spending overseas by voluntary aid organisations.

[1] *British Aid Statistics 1977-81*. HMSO, £5. ISBN 0 902500 09 0.

[2] Public expenditure on overseas aid is one of the two main British concepts for reporting aid flows, the other being the aid programme (see table on p 99). 'Total official flows' is an international reporting concept and is made up of official development assistance, defined as official flows having a grant (concessional) element of 25 per cent or more, and other official flows.

[1] The Development Assistance Committee of the Organisation for Economic Co-operation and Development is not an aid agency but a forum of consultation among 17 donor countries, together with the Commission of the European Community, on how to increase the level and effectiveness of aid flows to developing countries. The member countries are Australia, Austria, Belgium, Britain, Canada, Denmark, Finland, France, the Federal Republic of Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland and the United States.

Bilateral Aid

Some £743 million of gross public expenditure on overseas aid was bilateral assistance. Of this, about £217 million was provided for the technical co-operation programme, all in grant form, the remainder being financial assistance comprising £382 million in grants, £76 million in inter-governmental loans and £68 million in investment by the Commonwealth Development Corporation (see pp 198-9, 1982)

Two-thirds of bilateral aid, £483 million, went to Commonwealth countries, including £17 million for Britain's dependencies, which remain a first charge on the aid programme. Of the remainder, £189 million was disbursed to non-Commonwealth countries and £71 million for the benefit of both Commonwealth and non-Commonwealth countries. The largest individual recipient was India (with £168·5 million), followed by Kenya (£35 million), Bangladesh (£33 million), Turkey (£32 million), Sudan (£32 million) and Tanzania (£30 million). The share of bilateral assistance going to the very poorest countries (those with a 1980 income of less than $370 per head) was £326 million or nearly 44 per cent, while 71 per cent went to countries with a 1980 *per capita* income of $730 or less.

Aid expended on individual projects (project aid) totalled £428 million, the principal sectors supported being manufacturing (£108 million), energy (£103 million), transport and communications (£71 million), social and community services (£31 million) and renewable natural resources (£22 million). Non-project aid totalled £102 million, of which £69 million was for import financing, £14 million for food aid, £10 million for debt refinancing, and £7 million for budgetary support.

Terms for Financial Aid

In addition to inward capital repayments on previous public expenditure loans amounting to £76 million, developing countries paid Britain during the year £42 million in interest on such loans.

Both capital repayments and interest receipts are expected to fall in future because Britain has released many of the poorest developing countries from the burden of repaying past aid loans, and due to the increased emphasis on grants in recent years. Grant commitments in 1981 were £151 million. Inter-governmental loan commitments totalled £59 million, while investment commitments by the Commonwealth Development Corporation amounted to £56 million.

Overseas Service

The number of British experts working overseas has declined in recent years as nationals of the developing countries have acquired the necessary skills to replace them. Some 6,510 men and women financed from public funds under bilateral arrangements and recruited in Britain served in developing countries during 1981. These included 3,820 serving under supplementation schemes (under which they are in the service of the overseas government as teachers, doctors, nurses, etc, but receive supplementary salary and other payments from the British Government); 1,500 wholly financed under regional technical co-operation and other schemes; and 1,190 as volunteers under the British Volunteer Programme. The number of such personnel recruited during the year was 1,590, of whom 470 were volunteers.

British Aid: Relationship Between British and International Aid Concepts

£ million

	Gross	Capital repayment (amortisation)	Net
Aid Programme	1,054	66	988
Plus self-financed investment by the Commonwealth Development Corporation	30	9	21
Public Expenditure on Overseas Aid	1,084	76	1,008
Less encashments by International Development Association and Regional Development Banks	126	—	126
Plus deposits with International Development Association and Regional Development Banks	207	—	207
Plus additional official flows	375	247	128
Plus administrative costs	33	—	33
Plus debt cancellation	33	27	6
Total Official Flows	1,605	349	1,256
of which			
Official Development Assistance	1,175	93	1,082
Other Official Flows	431	257	174

Of the British-financed personnel, including volunteers, overseas in 1981, the largest number, some 2,960, were employed in education, followed by 920 in renewable natural resources, 610 in trade and industry and 600 in public utilities.

Students in Britain

During 1981 some 13,450 students and trainees from developing countries attended courses in Britain financed from public funds under technical co-operation arrangements. Of these, 9,940 came from Commonwealth countries, the greatest number from Zimbabwe (2,216), followed by India (1,045), Tanzania (690), Nigeria (670) and Kenya (590). The main fields of study were engineering, education, medical sciences, natural sciences, social sciences including economics, agriculture, and planning and public administration. Britain financed the study of another 900 students in their own or other countries.

Multilateral Aid

Over 30 per cent of public expenditure on overseas aid, some £341 million, went to multilateral aid agencies, £291 million in financial aid and £50 million as technical co-operation funds. The major recipients were the European Community (£158 million); the World Bank Group (£116 million – nearly all for the International Development Association); United Nations agencies (£42 million); and Regional Development Banks (£14·5 million).

European Community Budget

The European Community budget and Britain's contribution to it were debated in the House of Commons on 21 February.

The Government's View

Opening the debate (*Hansard*, Vol 37, No 63, cols 667–748), the Financial Secretary to the Treasury, Mr Nicholas Ridley, said that following the European Parliament's decision in February to adopt a revised supplementary budget for 1983, the way was now open for the Council of Ministers to adopt regulations and the European Commission to grant Britain its basic refund for 1982 of £500 million net as agreed in October 1982.[1]

There was now a feeling in the Community, Mr Ridley said, that there should be a lasting solution to the problem of budgetary imbalance. Before the adoption of the 1983 supplementary budget there had been urgent and highly constructive debate among the Council, the Commission and the Parliament, the last having come 'a long way towards persuading the Council of the urgency of finding a lasting solution to the problem of unfair budgetary burdens'. Mr Ridley added: 'I also think that the Parliament appreciates that, with the best will in the world, putting a lasting solution in place is bound to take time and that interim arrangements will be needed to pave the way for that lasting solution.' The Commission's estimates of the net budgetary positions of individual member states for 1982 showed that before refunds Britain's net contribution was £1,200 million, a clear indication that the problem had not gone away.

Mr Ridley recalled that net budget refunds already received for 1980 and 1981 amounted to over £1,400 million and in March 1983 payment of the £500 million of basic refund for 1982 was expected. In addition, if the Commission's latest estimates for Britain's 1982 net contribution were confirmed, further repayments would be made under the risk-sharing arrangements (see p 182, 1980), bringing total net refunds over the three years to about £2,000 million. Although most of the refund for 1982 would take the form of supplementary measures some would be for special energy projects in Britain.

The most vital question, Mr Ridley continued, was that of finding a long-term solution to the problem. The Commission had produced a discussion document calling on the Community to develop and extend non-agricultural policies and produce a better balance in the budget between agricultural and other spending. It had also suggested that the extra finance needed should be found partly by containing the growth of agricultural expenditure and partly by increasing 'own resources'.[1] No-one, however, had yet demonstrated that the latter was necessary. 'If agricultural expenditure is properly controlled, the Community's existing revenues should provide the necessary financial resources for the development of Community policies. . . .'

However, since the problem arose primarily because Britain was not a surplus agricultural producer, one obvious contribution towards its solution would be to restructure own resources so that Britain paid less. If own resources for VAT were to be partly replaced by an own resource based on the value of agricultural production, this could make a useful contribution towards reducing Britain's budgetary burden. Mr Ridley added that it would be even better if it were based on the production of agricultural surpluses. Since the Commission's document had discussed the possibility of introducing a new own resource related to agricultural production, Britain would be making clear to the Commission that it should give special attention to this crucial problem in its further work.

Britain wanted an arrangement that would solve the problem of unfair budgetary imbalances once and for all and which, once implemented, would remove the need for budget refunds and thereby take the entire subject off the Community's regular agenda.

The Government had produced two practical ideas that could solve the problem with minimum disturbance to the Community's existing arrangements. One was that the VAT liabilities of member states now bearing excessive budgetary burdens

[1]On 14 March Community foreign ministers agreed to pay Britain its refund for 1982.

[1]The Community's own resources consist of customs duties on imports into the Community, levies collected on agricultural imports, and the product of a notional rate of value added tax (VAT) levied on a Community harmonised base at a rate not exceeding 1 per cent.

might be reduced by placing an upper limit on them. Such limits would be calculated by reference to relative prosperity and gross domestic product. The other was that the VAT liabilities of net contributor countries could be reduced to take account of the difference between their shares of receipts under the Common Agricultural Policy (CAP) and their contributions to CAP expenditure, this relief being progressively phased out for more prosperous net contributor countries.

Opposition Views

Speaking for the official Opposition, Mr Peter Shore said that since 1979 there had been a continuing unsatisfactory compromise over Britain's contribution to the budget. Arrangements agreed in 1980 had fallen far short of broad balance and they had lasted for only two or three years. Moreover, no less than £616 million was being paid by Britain to the Community in the fiscal year 1982-83 and no agreement was in sight on the long-term solution to the problem. In the absence of agreement in the years ahead Britain's estimated net contribution would be £1,504 million in 1983-84, £1,588 million in 1984-85 and £1,700 million in 1985-86. Noting that there was no opinion in the House in favour of increasing the Community's own resources, Mr Shore said that a change in receipts could only be brought about by the substantial demolition of the CAP, which the rest of the Community would not allow, or by a massive increase in other Community programmes which would require a large increase in Community tax revenues. The only remedy was to amend the European Communities Act 1972 to enable the House to reduce Britain's contribution to the level of its receipts.

The Social Democratic Party spokesman, Mr John Roper, said that a long-term solution to the imbalances in the Community budget was considerably overdue. The solution lay in increasing the Community's expenditure and diversifying its revenue. Expansion of the regional and social funds would be of advantage, transport and energy policies could be further developed, and further resources needed to be devoted to joint industrial research and development projects. The proposal for an agricultural tax would have the greatest effect in redressing the imbalance between net contributors and net recipients since it would fall most heavily on those countries which were the largest recipients from the Common Agricultural Policy.

Government Reply

Replying for the Government, the Under-Secretary of State for Foreign and Commonwealth Affairs, Mr Malcolm Rifkind, said that the December 1982 decision of the European Parliament not to approve the original draft supplementary and amending budget had focused the attention of the Council of Ministers on the importance attached to a long-term reform of the budget. 'It emphasised the fact not only that the United Kingdom believes that existing arrangements are unsatisfactory, but that there is a broad measure of support within the European Parliament from parliamentarians of other countries who realise that some resolution of this difficulty by long-term restructuring is essential.' The Commission's discussion document was very important since for the first time there had been a review of the revenue as well as the expenditure aspects of the budget. Any satisfactory attempt to deal with the problem had to consider expenditure as well as revenue.

Although Britain favoured expanding non-agricultural expenditure in order to get a more sensible balance within the budget, Mr Rifkind said that this should not be brought about by a significant or dramatic increase in the total expenditure of the Community. Britain supported proposals for selective assistance to high technology industries, information technology and the development of energy policies, and had taken a lead in the promotion of a Community strategy on the coal industry. Progress could be achieved in several important areas but it was neither realistic nor desirable to propose that non-agricultural spending could be so expanded to resolve the major imbalance that now existed. Within the 1 per cent ceiling on VAT there was an element of buoyancy which enabled some growth in expenditure to take place and some flexibility to be applied without any formal change in the Community's revenue-raising powers.

In conclusion, Mr Rifkind said that Britain was not suggesting a mechanical formula to guarantee that each member state received back exactly the sum that it contributed. 'However . . . if there is to be an element of redistribution in Community expenditure, any net transfers should be on the basis of movement from the more prosperous to the less prosperous members of the Community. It is essential that the criteria applied should be defensible and logical.'

Shorter Note

OVERSEAS STUDENTS

Britain is to provide more help to enable overseas students to come to Britain for their further and higher education. Giving details of the Government's decision in the House of Commons on 8 February the Foreign and Commonwealth Secretary, Mr Francis Pym, said that support would be increased by £46 million over the next three years and that this would be used to finance 5,000 to 6,000 additional scholarships and awards each year. The extra resources would come from the contingency reserve (£25 million) and a reallocation of resources within the aid programme (£21 million). The Government's action followed a report made by the Overseas Students Trust.[1]

[1]In May 1981 the Government announced that with its encouragement and co-operation the Overseas Students Trust, a charity formed in 1981, was embarking on further work concerning overseas students. In June 1982 the Trust published a report supporting an increase in public spending on scholarships for overseas students. Following the report's publication, the Government said that it represented a comprehensive and constructive contribution to the development of future policy and that its recommendations would be seriously considered.

Mr Pym said that the Government's measures would include additional awards for students from the Commonwealth under the Commonwealth Scholarship and Fellowship Plan; the introduction of a new system of selective discretionary awards designed to attract those students who would not only benefit themselves but whose study and experience would be of advantage to Britain; an expansion of the Overseas Development Administration's bilateral technical co-operation programme; and limited additional provision to enable the British Council to assist the activities of British institutes in attracting fee paying students from abroad and in strengthening academic links. There would also be some provision for Cyprus and Malaysia. In addition Britain would enter into discussions with the Hong Kong Government on a shared funding scheme which would have the effect of treating eligible Hong Kong university and polytechnic students as home students for fee purposes. It was also ready to consider similar arrangements for other British dependent territories.

Concluding, Mr Pym said that the Government was favourably inclined towards the Trust's recommendation that institutions should have more flexibility over fixing their own fees for overseas students, provided that no subsidy was involved. The Government accepted and would implement many of the study's other recommendations which did not involve additional public funding, for example spreading the funds available for awards more widely in order that more students could benefit.

Source: *Hansard*, Vol 36, No 54, cols 883-92.

ECONOMIC AND SCIENTIFIC AFFAIRS

The Budget 1983–84: a Summary

A reduction in the National Insurance surcharge, help for small businesses and an easing of oil taxation were among the measures aimed at assisting industry announced by the Chancellor of the Exchequer, Sir Geoffrey Howe, in his Budget on 15 March. The Budget also provided for a reduction in income tax by raising both personal allowances and the upper limit for tax relief on mortgage interest payments. The Government is keeping to its monetary strategy, with a target of 7 to 11 per cent for the annual rate of growth in the money supply.

The main proposals are summarised below.[1] A fuller account will appear in the April issue of *Survey of Current Affairs*.

Changes in Taxes and Duties

Personal allowances raised by 14 per cent, equal to 8·5 per cent in real terms, to £1,785 for a single person and £2,795 for a married person.

Increase from £25,000 to £30,000 in the limit on loans qualifying for mortgage interest tax relief.

Increase from £55,000 to £60,000 in the threshold for capital transfer tax.

Scales for taxing the benefits from company cars to rise by about 15 per cent from August 1984.

Increase in the duty on alcoholic drinks leading to price rises (including value added tax – VAT) of 1p on a pint of beer or cider, 5p on a bottle of table wine, 7p on a bottle of sherry and 25p on a bottle of spirits.

Increase in tobacco duty representing (including VAT) a rise of 3p in the price of a packet of 20 cigarettes.

Increase in the duty on petrol and derv leading to price rises (including VAT) of 4p on a gallon of petrol and 3p on a gallon of derv.

Rise in vehicle excise duty from £80 to £85 for cars and light vans. In order to bring the rates of duty more nearly into line with the costs to the roads of various types of lorry, increases ranging from 5 per cent to 26 per cent in the duty on some 190,000 heavy vehicles and a reduction of about 10 per cent in that on some 315,000 lighter vehicles.

Acceptance of the recommendations of a working party (see p 112) that two or three freeports be established in Britain on an experimental basis.

Help for Business

Reduction in National Insurance surcharge paid by the private sector from 1·5 per cent to 1 per cent from August.

Corporation tax at the lowest rate to apply to annual taxable profits of up to £100,000 (instead of £90,000). Reduction in the lowest rate of tax from 40 per cent to 38 per cent. Increase in the threshold for the highest rate (52 per cent) from £225,000 to £500,000.

Increase in the registration threshold for VAT from an annual turnover of £17,000 to one of £18,000.

The business start-up scheme (see p 103, 1981) extended to include established unquoted companies. Income tax relief under the scheme to apply on up to £40,000 invested in any one year instead of the previous £20,000.

Allocation of £100,000 over the next three years for restoration of the small engineering firms investment scheme (see p 78, 1982).

A doubling, to £600 million, in the amount available under the loan guarantee scheme (see p 103, 1981), allowing it to run until May 1984.

Enterprise allowances (payments of £40 a week to the unemployed to help them to set up in business) to be extended from the five pilot areas to the whole country in the period 1 August 1983 to 31 March 1984.

To encourage further exploration for North Sea oil, expenditure so incurred to qualify for 100 per cent relief against petroleum revenue tax (PRT). For future fields, the quantity of oil production exempted from PRT to be doubled and royalties for these fields to be abolished. Advance PRT to be cut from 20 per cent to 15 per cent in July and to be abolished by the end of 1986.

The scheme to defer payment of development land tax on developments for owners' own use, due to end in April 1984, to be extended until April 1986.

Companies to be allowed to give tax-free shares to their employees (see p 119, 1980) each year

[1] A general account of the tax system is given in *A Short Guide to Taxes in Britain*, COI, No 24/81, supplemented by *Britain's Tax Changes: 1982 Budget*, COI, No 151/82.

up to 10 per cent of an employee's earnings, with a maximum of £5,000 (replacing the previous limit of £1,250).

Changes in Benefits

A return to the system which prevailed before 1976 under which benefits were uprated on the basis of actual, rather than forecast, price changes. However, those receiving benefits would not be penalised as a result of the last uprating having been based on a higher price increase than eventually occurred.

Restoration of the November 1980 abatement of 5 per cent in the uprating of unemployment benefit (see p 137, 1980).

Child benefit to be increased from £5·85 to £6·50 a week from November. One-parent benefit to be raised from £3·65 to £4·05.

Increase from £2,500 to £3,000 in the limit above which savings disqualify people from receiving supplementary benefit.

The job release scheme (which allows men over 62 and women over 59 to retire early and release a job for someone else) to be extended from October so that workers can give up at least half their working week to another person.

Financial Strategy

Target range of 7 to 11 per cent for the rate of growth of both broad and narrow measures of the money supply in 1983-84.

Planned public sector borrowing requirement for 1983–84 of £8,000 million, equal to 2·75 per cent of gross domestic product.

Agriculture

Recent progress in Britain's agriculture and the Government's attitude to the forthcoming European Community negotiations on agricultural prices for 1983-84 were the main themes of a speech in the House of Commons on 3 March by the Minister of Agriculture, Fisheries and Food, Mr Peter Walker. The *Annual Review of Agriculture 1983*[1] was published in February.

PARLIAMENTARY DEBATE

Opening a debate in the House of Commons (*Hansard*, Vol 38, No 71, cols 383-425), Mr Walker said that in 1982 British farming had made a substantial recovery from the difficulties of previous years and food prices had risen by less than at any time in 15 years. Over the past four years in those areas in which Britain could produce food itself, self-sufficiency had increased from 67 to 76 per cent, thereby benefiting the balance of payments. The British food industry had also made a remarkable impact on Britain's export performance, the 1982 figure being £2,500 million of food products compared with £300 million in the mid-1970s. Much of this was due to the considerable improvement taking place in food exports to Europe.

Mr Walker pointed out that in 1982 there had been almost perfect weather conditions for British agriculture, a substantial recovery in farm incomes, and a real improvement in farm wages. Investment in plant and machinery had also increased substantially to nearly £600 million. 'A great deal of credit for the manner in which British agriculture has come through a period of world recession is due to the basic qualities of the industry, its powers of innovation, the heavy investment of the past, the importance placed on research and its speedy application and the very good labour relations that have existed throughout the industry.'

Common Agricultural Policy

Commenting on the European Community's Common Agricultural Policy (CAP), Mr Walker said that as a result of steady and at times tough negotiations, considerable change had taken place in the CAP. Since 1979 the proportion of the Community budget accounted for by the CAP had fallen from 80 to 65 per cent and the proportion of the agricultural budget of direct benefit to Britain had risen from 5 per cent to over 10 per cent. In addition the Government had taken measures that were positively advantageous to British agriculture, notably early revaluations of the green pound, increases in subsidies to hill farmers, the negotiation of a Community regime for sheepmeat, aid to horticulture to mitigate the disadvantage faced in comparison with the Dutch in energy prices, help for the replanting of apple orchards, and an endeavour to bring about substantial improvements in the marketing of all Britain's food products (see pp 32-3).

Milk

On milk prices Mr Walker said that, although progress had been made by the European Commission in lowering its initial price proposals, it would be preferable to eradicate the co-responsibility levy on milk producers and have a nil increase in milk prices. Referring to Britain's nationwide doorstep delivery system, Mr Walker said that it was a very good bargain for the consumer, provided an important service to many people, especially the elderly, and resulted in Britain's milk consumption being the highest in Western Europe. The future for milk producers lay in a greater British share in dairy market products and Mr Walker welcomed the fact that in butter, cheese and other dairy products Britain was becoming far more aggressive at acquiring a proper share, not just of the domestic market, but of the overseas market.

Other Commodities

Turning to other commodities Mr Walker said that Britain would be pressing for a freeze on cereal prices and that price increases in other areas of surplus production such as sugar, wine and olives should also be more prudent. He emphasised that compromises would be required if an acceptable

[1] *Annual Review of Agriculture 1983.* Cmnd 8804. HMSO, £5·85. ISBN 0 10 188040 5.

package was to be produced. 'In any negotiation one must consider the total package and the extent to which it is right for the Community and for one's own national interests. If we all operated on the basis of a perpetual veto of anything that did not ideally suit our requirements there would never be any kind of price fixing, because there would always be at least one country that did not approve of the price in question.'

Pigs

Mr Walker said that, although there was anxiety about the current level of pig prices, no government could bring in price fixing arrangements for pigs or poultry. 'The speed with which production can be increased in those sectors is such that if a price were fixed that was tolerable to producers a massive, rapid and permanent increase in production would result and would make such a regime impossible.' The Community, however, had two schemes for pig producers – private storage and a substantial increase in restitutions on exports to third countries. Although Britain had 10 per cent of the total number of pigs in the Community, it was taking only 2 per cent of the money available for producers, because it had not taken advantage of world markets and the export restitution available to anything like the degree to which the Dutch and the Danes had done. Nor had it yet caught up with the marketing qualities of its main rivals. The Danes, for instance, had been successful on the British market, not by price cutting but by better quality control, marketing and packaging. Since the British industry could produce pigs as well as – or probably better than – others in the Community, there was a need for marketing both in Britain and throughout the world.

Glasshouses

The other main source of concern, continued Mr Walker, was the glasshouse industry which had had difficulties caused by currency exchange rates and the advantage that Dutch producers had had on energy costs. In 1983, however, the exchange rate had moved to the detriment of the Dutch and in March Dutch energy prices were to be increased substantially thereby putting the British industry in a more competitive position. The Government had started discussions with the industry on energy conservation and a possible switch to coal heating, and on ways of improving the marketing of its crops.

Conclusion

Responding to criticism that agriculture had received far too much aid from government, Mr Walker concluded: 'By all criteria, the industry is serving and will serve the country well. It has improved our balance of payments, reduced imports, increased exports and provided employment and new jobs. The aid that Governments give is primarily an incentive to investment, fundamental research and the speedy application of that research to the industry.'

Opposition Views

Speaking for the official Opposition, Mr Norman Buchan said that the real reason for expansion in British agricultural production was the application of science to industry, new seeds and livestock improvements. The Labour Party favoured expansion consonant with cost, the environment and the needs of the consumer which all needed to be taken into consideration. On farm incomes Mr Buchan said that there was no objection to their restoration but that the increase of 45 per cent was not evenly distributed since the farm support system created an imbalance between livestock and cereals and between the big and the small farmer. Food prices were higher than was necessary because of the Common Agricultural Policy which, according to projections for 1983, would be taking nearly 70 per cent of the Community budget. The cost of surplus production had trebled in three years and in Britain amounted to more than £1,000 million a year. Mr Buchan favoured a price freeze on all commodities in surplus and a swing in the balance of support from the consumer to the taxpayer. If Britain adopted a deficiency payments system, it could buy on world markets and use intervention buying where it made sense, as in potatoes.

The Social Democratic Party spokesman, Mr Robert Maclennan, said that negotiations on the Community budget should be separated from the discussions on agricultural support prices, for the budget problem could only be solved by the development of other Community policies. The long-term problem in the Community was that until agricultural incomes matched those of the economy as a whole there would be constant pressure for increased prices. The 1983 price fixing needed to lean more towards livestock and less towards cereals.

ANNUAL REVIEW OF AGRICULTURE 1983

The review says that growing conditions in 1982 were favourable and that the production of cereals and oilseed rape reached record levels. The dairy herd and the sheep breeding flock also increased as did the production of sheepmeat and pigmeat. In addition there was a substantial recovery in farm incomes in real terms and it is expected that the volume of new fixed investment in the industry will increase by 17 per cent.

Farms and Farming

The decline in the number of farms has continued. In 1982 the total number of holdings in Britain was about 242,300, some 2 per cent lower than in 1977. The larger businesses, although only 13 per cent of the total number, accounted for half the total output. The average area (including rough grazing) of businesses capable of providing work for at least one full-time man was 118 hectares, a rise of 4 per cent since 1977. In the same period the average dairy herd increased by 22 per cent to 55 cows and the average size of the ewe flock by about 9 per cent to 188. The average beef cow herd has stabilised at about 18 cows. Average herd sizes in the pig sector rose sharply between 1977 and 1982 – by 44 per cent in the case of breeding pigs (from 27 to 39) and by 39 per cent in the case of fattening pigs (from 186 to 259).

In England, Scotland and Wales some 68 per cent of holdings were wholly or mainly owner-occupied in 1982 compared with 54 per cent in 1960-61. The proportion of agricultural land farmed by its owner was 59 per cent in 1981 compared with 52 per cent 20 years ago. Virtually all farmers in Northern Ireland are owner-occupiers.

Net farm incomes, the review says, were expected to rise by 45 per cent in 1982 to total £1,849 million, following a rise of 24 per cent from 1980 to 1981. Although there was a substantial recovery of farm incomes in 1982 they remain below levels achieved in the mid-1970s.

The review says that the index of labour productivity, reflecting improvements in plant and animal breeding and the organisation of farming, the reduction in the number of persons engaged and short-term movements in output caused by factors such as the weather, increased by about 3 per cent annually during the ten years to 1981. An increase of 9 per cent is forecast for 1982. The number of regular whole-time workers fell from 174,000 to 171,000 between 1981 and 1982, a fall of 2 per cent compared with an annual average reduction of about 4 per cent in the ten years to 1981.

On investment the review forecasts a sharp rise in 1982, the industry's gross capital formation in fixed assets being expected to be £1,150 million, some 20 per cent higher than in 1981. Investment in buildings and works is expected to be £585 million, a rise of 14 per cent, while investment in plant, machinery and vehicles is expected to increase by 26 per cent to £565 million. In volume terms new investment in buildings and works is forecast to increase by some 16 per cent and that in plant, machinery and vehicles by about 19 per cent. The expected increase in the volume of total gross fixed capital formation is 17 per cent. After allowing for depreciation the net stock of these assets remains broadly at the level of recent years.

Public expenditure in Britain on market regulation under the Common Agricultural Policy is estimated to be just over £1,000 million in 1982-83 compared with some £678 million in 1981-82. This additional expenditure is mainly due to increased purchases into intervention of cereals, beef, skimmed milk powder and butter and to increased payments of the oilseeds subsidy, but these were partly offset by reduced expenditure on exports to third countries and by increased receipts from levies on intra-Community trade. Expenditure on price guarantees, production grants and subsidies, capital grants and support for agriculture in special areas is estimated to be about £327 million in 1982-83.

Commodities

Main Crops

In 1982 cereals were grown on 4·03 million hectares, a net increase of almost 50,000 hectares over 1981. A fall of 120,000 hectares in the area sown to barley and oats was more than offset by an increase of about 170,000 hectares in the wheat area. Both yield and quality generally improved. Production of all cereals reached about 21·8 million tonnes, a rise of 2 million tonnes and a record for the third year running.

The area of oilseed rape in 1982 increased by 39 per cent to 174,000 hectares. Record yields of 3·3 tonnes per hectare are anticipated and this, together with the substantial increase in area sown, is expected to result in record production of about 570,000 tonnes.

Potato plantings in 1982 were some 3,000 hectares less than the target area of 194,000 hectares. Planting and growing conditions were generally very favourable and the 1982 crop forecast is some 6·8 million tonnes, of which 5·4 million tonnes are intended for human consumption.

The review expects a record yield of at least 1·3 million tonnes of white sugar from the sugar beet crop.

Horticulture

The area devoted to horticulture in 1982 was about 253,000 hectares compared with 255,000 hectares in 1981, a smaller decrease than in recent years. Production of apples in the 1982 growing season was substantially higher than in 1981 but pear production was lower. Subject to parliamentary approval, the Government intends to provide grants for a five-year period from 1 April 1983 to encourage apple and pear growers to replace old orchards with varieties in demand on the market. The review points out that growers of protected crops in glasshouses continued to face strong competition from imports from the Netherlands. In 1981 and 1982 the Government provided £9·5 million to help growers to meet the increased costs of heating oil, and similar aid amounting to about £1 million is being made available on oil used during the period from January to March 1983.

Livestock

The June 1982 census showed a drop of 1·5 per cent in the size of the beef breeding herd and an increase of nearly 2 per cent in the dairy herd which accounts for almost 70 per cent of all breeding cows. The average yield of milk per cow in 1982 is expected to be some 3·5 per cent higher than in 1981 when yields were low as a result of poor weather. The improved yield and the increase in the size of the dairy herd is expected to result in an increase of over 10 per cent in the volume of milk available for manufacturing products such as butter and cheese. Provisional figures for 1982 show that there were 13,275,000 head of cattle and calves.

The sheep breeding flock increased by over 3 per cent between June 1981 and June 1982, a similar increase to the previous year. The overall level of returns to producers rose by 15·2 per cent. There were over 33 million head of sheep and lambs in 1982.

Pigmeat production is expected to be nearly 3 per cent above the 1981 level and a further increase in production is expected in 1983 reflecting the expansion in the breeding herd during 1982. There were just over 8 million head of pigs in 1982.

The upward trend in placings of both broiler chicks and turkey poults has continued. Production of poultry meat is expected to be about 10 per cent higher than in 1981 and to remain at this level in 1983. There were nearly 133 million head of poultry in 1982. The review forecasts that egg output in 1982 is likely to be only marginally above the 1981 level. Total output is expected to be 1,071 million dozen in 1982.

Ports

The Government has completed the introduction of private capital into Associated British Ports Holdings PLC. Following the sale of 49 per cent of the issued share capital together with provisions for shares for employees of the company, it now holds 48·5 per cent.

Details of the offer for sale and the response to it were given by the Secretary of State for Transport, Mr David Howell, in the House of Commons on 2 and 16 February respectively (*Hansard*, Vol 36, No 50, written answers, cols 118-20, and Vol 37, No 60, written answers, col 177). The earlier statement included the text of a letter from Mr Howell to the Chairman of Associated British Ports (Mr Keith Stuart) which contained a brief summary of the Government's policy towards the ports industry as a whole. Information from the two statements is given below.

Offer for Sale

The Transport Act 1981 (see pp 52-3, 1981) contained provisions for the replacement, by a holding company operating under the Companies Acts, of the British Transport Docks Board, a public corporation operating 19 ports in Britain – including major ports such as Southampton, Hull, Grimsby/Immingham and a number of south Wales ports – which in 1982 handled over 76 million tonnes of goods, some 3 million passengers and over 730,000 vehicles. Mr Howell made an Order under Section 5 of the Transport Act 1981 reconstituting the British Transport Docks Board as Associated British Ports on 31 December 1982 and naming Associated British Ports Holdings PLC as its parent company.

The offer for sale was for 19·6 million ordinary shares in Associated British Ports Holdings PLC. Mr Howell said that the offer had attracted some 156,000 applications from the public for a total of nearly 660 million shares. He welcomed the interest by investors, which reflected 'in part the buoyancy of the market since the offer was underwritten on 2 February', but, more importantly, was 'a clear vote of confidence in the future of the company in the private sector'. The Government had arranged for a maximum of 1 million ordinary shares to be made available free of charge to eligible employees of the company and its subsidiaries, and for preferential consideration to be given to applications by employees to purchase ordinary shares at the offer price. Mr Howell said that the response from employees had been very encouraging and a total of 8,115 employees, over 90 per cent of those eligible, had acquired more than 1·7 million shares. Gross receipts from the sale amounted to £21·95 million and the Government would also receive £25 million in cash from the group. The Government's 48·5 per cent shareholding was worth £21·7 million at the offer price.

Letter to the Chairman of Associated British Ports

Government Shareholding

In his letter to the Chairman of Associated British Ports Holdings PLC, Mr Howell said that the Government 'does not intend to reduce the level of its shareholding in the company in the lifetime of this Parliament'. However, it would not purchase any more shares in the company following the offer for sale. As the sole beneficial owner of the share capital before the offer for sale, the Secretary of State had appointed its first directors. Henceforth the Government did not intend to exercise its rights as a shareholder to elect directors to the board, to intervene in the group's commercial decisions or to vote in opposition to a resolution supported by a majority of the directors. The Government would be prepared to use its voting rights only in exceptional circumstances or when it considered the national interest might be involved. In addition, the Government would not guarantee the group's borrowings or provide any financial support to the group other than that statutorily available to all ports.

Government Policy on Ports

Mr Howell said that the Government believed that 'port users are best served by allowing ports to compete with each other on price and quality of service, and that the distribution of traffic and the pattern of future developments should be determined primarily by commercial considerations'. The Government did not think it appropriate to attempt to lay down a detailed plan or framework for the operation and development of Britain's ports, but because of the important position of ports in the national infrastructure and their statutory responsibilities and obligations the Government could not divorce itself completely from the industry's long-term development. Port authorities were responsible for determining capital investment plans, but under the Harbours Act 1964 ministerial approval was required for major port investment projects, at present those of over £3 million. Mr Howell pointed out that the current Government had refused authorisation for only one project, at Falmouth (Cornwall).

Mr Howell said that ports should look to the market for any necessary borrowing to finance their businesses. The Government accepted that there might be circumstances where a statutory port authority was unable to raise finance from commercial sources. In such a case, the Government would be willing in principle to consider making a loan for a viable project if it believed that refusal to do so could place the port authority

in breach of its statutory duties. Structural changes and the resultant problems of surplus labour had created exceptional financial difficulties for the port authorities of London and Liverpool. The Government had made available financial assistance of up to £360 million for measures to reduce the manpower of the Port of London Authority and the Mersey Docks and Harbour Company and to enable these ports to continue in business while the measures were implemented. Recently the Government had confirmed that cash grants would not be made for revenue deficits after the end of 1982. However, it had agreed to continue to meet the cost of severance payments for dockworkers and to make loan finance available for justified capital projects until it judged that the two port authorities could make their own independent financial arrangements. The Government had emphasised that the problems facing these authorities were exceptional in their scale and nature. It had been necessary, as their market share had fallen, to reduce their capacity and thus the overcapacity of the ports industry as a whole. The Government intended to terminate the assistance as soon as possible and did not propose to make similar assistance available to other British ports.

Telecommunications

The Government has announced further initiatives to promote competition in telecommunications.

The Telecommunications Bill, which received its second reading in the House of Commons in November 1982 (see pp 404-7, 1982), would enable the Government to convert British Telecom from a public corporation into a company operating under the Companies Acts and provide for the disposal of shares, and would remove British Telecom's exclusive privilege of running telecommunications systems. The Government has recognised the public concern that the new company should not be able to set excessive charges for customers in those areas where it would retain a virtual monopoly for the time being. Accordingly, the Secretary of State for Industry, Mr Patrick Jenkin, announced during the second reading of the Bill the appointment of Professor Stephen Littlechild of Birmingham University to carry out a study of the issues involved. Professor Littlechild's report was published on 7 February[1] and the Minister for Information Technology, Mr Kenneth Baker, announced the Government's proposals in the House of Commons on that day.

[1]*'Regulation of British Telecommunications' Profitability.* A report by Stephen C. Littlechild, Professor of Commerce, University of Birmingham. Department of Industry. Available from Department of Trade Library, Room LG37, 1 Victoria Street, London SW1H 0ET, £6.

LITTLECHILD REPORT

Professor Littlechild's main recommendation is that the task of regulating British Telecom's profitability in order to ensure that it did not exploit its dominant position in telecommunications would be simplified if British Telecom were under competitive pressure. Effective competition would be the best protection against the abuse of a dominant market position, and there would be no need to maintain direct controls on British Telecom's profits. For telephone rentals and local services, where competition could not be relied upon, he proposed that it should be a condition of British Telecom's licence that charges should be increased by less than retail prices as a whole. Under a local tariff reduction scheme, the local tariff index would comprise rentals and the cost of local calls (including those from call boxes).

In order to encourage competition, Professor Littlechild says that the Government should continue with its programme of liberalising telecommunications, and sets out a number of ways in which competition might be encouraged, including allowing cable television companies to compete with British Telecom and the Mercury network (see p 86, 1982) in interactive services; giving a higher proportion of the radio spectrum to telecommunications; encouraging additional networks exploiting new technologies, such as an internal satellite network combining data and video transmission with telecommunications services; permitting the shared use of private networks within closed user groups; ending British Telecom's monopoly of installing a user's first telephone instrument; allowing the shared use and resale of capacity on telephone circuits leased from British Telecom; and giving the Mercury group freedom to provide a full range of international services.

MINISTERIAL STATEMENT

In his statement in the House of Commons on 7 February (*Hansard*, Vol 36, No 53, cols 633-4), the Minister for Information Technology, Mr Kenneth Baker, said that Professor Littlechild had made two major recommendations concerning pricing arrangements after privatisation and the extent of competition. He had recommended that the new company, British Telecom PLC, should be obliged for five years to keep below the rise in the retail prices index any increase in its prices for domestic rentals, local calls and other appropriate services taken together. The Government accepted this approach, but would want to give further consideration to the range of services to be included within the price limitation, for example, charges for telephone installation and trunk calls, and would also consider the period for which it should apply. It was 'important that the precise formula should be seen to be soundly based and fair both to the consumer and to British Telecom'. British Telecom would be obliged to observe the arrangement finally determined, and the powers of the Director General of Telecommunications as set out in the Telecommunications Bill were adequate to ensure compliance with the arrangements. These arrangements were aimed at 'secur-

ing a continuing improvement in British Telecom's efficiency and a continuing reduction in the real cost of telephone services to the consumer across the country'.

Professor Littlechild saw his price limitation proposal as a safeguard required only until competition developed. Mr Baker said that the Government accepted this approach and accordingly he was announcing further initiatives to promote competition. First, customers with standard British Telecom sockets would be free to purchase from any supplier the first telephone for connection to direct exchange lines. The Government would table an amendment to the Telecommunications Bill to implement this change. British Telecom and the telecommunications equipment industry needed time to adjust, but the Government intended that by the end of 1984 all customers wishing to exercise this choice would be able to do so. Secondly, the maintenance of all new call routeing apparatus (such as private branch exchanges) would be opened to competition by those approved by the Secretary of State for Industry. British Telecom would still be able to offer a maintenance service, but on a fair commercial basis. Mr Baker said that he intended to introduce an amendment to the Telecommunications Bill to provide for licensing of those maintaining such apparatus and he would also consult British Telecom, the industry and other interested parties on the implementation of these arrangements, which he expected to be completed within three to four years. These measures would mean that the entire market for new telecommunications apparatus would be open to competition.

Thirdly, Mr Baker continued, the Government accepted that restrictions on Mercury's supply of international services should be eased and this would require discussions with other governments. A study on the provision of international services was nearing completion and, after consultation with all interested parties, he would make a further statement. Fourthly, the Government accepted the principle of reducing restrictions on the resale of capacity on private telecommunications circuits leased from British Telecom and other public telecommunications operators, but Mr Baker recognised that this could have considerable implications for British Telecom's revenue. He would want to consider the terms and timing of introducing the changes after consultations had been held with British Telecom and other operators. Fifthly, the Government believed that competing public networks should have the right to interconnect with British Telecom's networks on appropriate terms.

Mr Baker said that the Government recognised the importance to the national economy of British Telecom's vital role in telecommunications. The new competitive measures would be phased in 'in step with progress towards moving British Telecom out of the public sector and out of the present web of government controls. This is an expanding and rapidly changing market, and the greatest benefits to Britain, the consumer and the telecommunications industry will come from fuller and fairer competition.' The arrangements he had announced would help to achieve this.

Biotechnology

Co-ordination of national opportunities in biotechnology, which cover a diverse range of industries, activities and interests, is essential if the combined efforts of government and industry are to exploit the benefits from biotechnology fully, according to a government memorandum issued on 2 February.[1]

The memorandum is the Government's response to the interim report on the protection of the research base in biotechnology, produced by the House of Commons Select Committee on Education, Science and the Arts in July 1982.[2]

THE MEMORANDUM

The memorandum gives a wide-ranging account of government support for research and development in biotechnology; the basis for the Government's policies is a White Paper issued in 1981 (see p 116, 1981).

Biotechnology covers a wide range of activities at differing stages and with different rates of development. Its emergence results, among other things, from developments in continuous fermentation, enzyme and cell immobilisation, cell fusion and recombinant deoxyribonucleic acid (DNA). These developments offer the potential to produce new ranges of pharmaceutical products and medical diagnostic reagents; protein for human and animal food; micro-organisms that will extract metals from ore, purify waste or produce liquid fuel; and new plant varieties with improved growth characteristics, disease resistance and higher food value.

The memorandum says that biotechnology is built on many different disciplines, in all of which Britain's basic science is good. Britain is well placed to exploit biotechnology, which while not itself an industry is of interest to many different sectors of industry. It is generally agreed that the most rapid developments are occurring in the pharmaceutical and health care field, while other areas where biotechnology may be exploited are food and agriculture, waste treatment, energy production, metal extraction, enhanced oil recovery and the provision of fine chemicals. In health care the development of a number of new products such as human insulin, human growth hormone, interferons and some vaccines is already well advanced and other therapeutic products are likely to be developed.

Organisation and Support

The memorandum says that the Government fully recognises the potential of biotechnology. As set out in the 1981 White Paper, the main responsibility for turning biotechnological opportunities into products must rest with industry. However, the Government recognises its role both in ensur-

[1]Available free from the Press Office, Department of Education and Science, Elizabeth House, York Road, London SE1 7PH.

[2]*Biotechnology: Interim Report on the Protection of the Research Base in Biotechnology*. Sixth Report from the Education, Science and Arts Committee, Session 1981-82. HMSO, £6·50. ISBN 0 10 228982 4.

ing that there is sufficient trained manpower and an adequate research base upon which industry can build and in encouraging industry to take advantage of the opportunities which biotechnology presents. The Government believes that these needs can best be met through the steady and evolving programmes of support being developed by bodies such as the research councils, the University Grants Committee, the British Technology Group, and the Scottish and Welsh Development Agencies and by government departments.

The Government's view is that, having regard to present and planned activities and expenditure, the public sector's awareness of biotechnology and its provision to promote biotechnology in its many aspects is broadly right in scale and nature. It does not accept that Britain is in danger of missing the opportunity to be a world leader in this area. There is much relevant work of which Britain, and in particular the public sector, can be proud.

Co-ordination of national opportunities is considered to be an essential element if maximum benefit is to be derived from the combined efforts of industry and government. Within central government the Department of Industry is the 'lead' department for biotechnology with responsibility for fostering industrial developments and ensuring exploitation for the maximum benefit of British industry. Other departments which are closely involved with areas such as health, energy, the environment, agriculture and food will, within government, continue to take the lead in these sectors, while the Department of Industry will provide the necessary overall co-ordination and promotion within Britain and internationally.

The Select Committee recommended that the present spread of committees concerned with biotechnology should be reviewed and this has been carried out in consultation with the Advisory Board for the Research Councils. Existing arrangements for co-ordination have been strengthened by the establishment of the Interdepartmental Committee on Biotechnology (see pp 168-9 and 413-14, 1982) which provides the main focus for biotechnology in government and co-ordinates the interests of government departments and related bodies, while also providing a point of contact for those outside government. The Committee has a core of members covering the major departmental interests and those of bodies such as the research councils, the British Technology Group and the Public Health Laboratory Service, but other departments and bodies receive papers and are represented as necessary.

The Committee has overlapping membership with the Inter Research Council Co-ordinating Committee on Biotechnology and with the Science and Engineering Research Council's Biotechnology Directorate. Outside government there are several committees concerned with biotechnology set up by bodies such as the Confederation for British Industry, the Society for Chemical Industry and the British Co-ordinating Committee for Biotechnology and there are links between these and the main government committees. The Government believes that the existing government committees 'adequately meet the various functions for which they were set up and that there is suficient cross membership and linkage to ensure a co-ordinated effort'.

Research Council Work on Biotechnology

Agricultural Research Council

Recognising the potential for agriculture if it were possible to manipulate the genes of crop plants, the Agricultural Research Council initiated in 1978 a co-ordinated programme to investigate the application of recombinant DNA technology and other methods of gene transfer to arable crops. The programme, which is now the major component of the Council's work in biotechnology, involves 40 scientists at four institutes and about 15 at several universities. The Council also supports genetic manipulation in other areas including the synthesis of molecules important in animal health, work on recombinant DNA cloning systems in bacteria of special interest to agriculture and food, and work on bacteria which play a part in the biodegradation of animal and crop waste materials. For example, the Council's Food Research Institute is working on the handling of food-processing wastes and at its Rothamsted Experimental Station there is a programme of commercial significance on the conversion of animal waste into protein in the form of worms. Plans have also been drawn up for new work on animal genetic manipulation with the ultimate objective of improving farm animals. In 1981 the Council set up a monoclonal antibody centre at its Institute of Animal Physiology to encourage the use of monoclonal antibodies as research tools in agricultural research and to develop veterinary diagnostic reagents. Immobilised cells or multi-enzyme systems are another main field of the Council's biotechnology programme.

In 1981-82 the total cost of these agricultural biotechnology programmes, including work in Scottish agricultural research institutes funded by the Department of Agriculture and Fisheries for Scotland, was £2·4 million; 110 scientists and assistants are involved at institutes and a further 25 in universities.

Medical Research Council

The Medical Research Council's responsibilities relate to the application of biotechnology in medicine, although wider industrial applications can sometimes be identified. Major contributions have been made in two areas of biotechnology: genetic engineering and monoclonal antibodies. A substantial amount of work also continues on the development of vaccines and new drugs, and on the synthesis, isolation and assay of substances (such as hormones) important in medicine, by more traditional biotechnological methods. The scope of the projects involved ranges from basic 'underpinning' research (on the chemistry, organisation and function of genes) on which the Council spent £17 million in 1980-81, to more directly biotechnological objectives (such as the production of a monoclonal antibody for the purification of interferon) on which expenditure was £1·7 million in the same year. As well as funding work through making grants to universities, the Council finances

programmes of work in its own establishments. It also promotes biotechnology through special schemes such as research studentships and fellowships for training in recombinant DNA techniques; 30 studentships and 14 fellowships have so far been awarded.

Science and Engineering Research Council

Biotechnology in various forms has been supported by the Science and Engineering Research Council since the late 1960s and the Council formed its Directorate for Biotechnology in November 1981. The Directorate has awarded grants to a total value of nearly £4 million. About 24 per cent of the grants are in the field of fermentation/microbiology, and 21 per cent are concerned with recombinant DNA techniques.

The Directorate has drawn up a strategy for its support of biotechnology which is developed at three levels. First, the Directorate will play its part in supporting national culture collections, and fundamental research which may be of a speculative nature, but which may, if successful, lead to significant advances in the field. Secondly, the Directorate has identified sectors of biotechnology where it is essential to maintain a national capability. Six areas of biotechnology are proposed where at least one and possibly two academic centres will be established: immobilised enzymes and cells, plant genetics and biochemistry, large-scale growth of mammalian and plant cells, fermentation technology and microbial physiology, new reactor design and new concepts in downstream processing, and sensors and bioelectronics.

The third level of strategy involves the identification of specific target products or processes, and support will be provided through joint funding of research with companies in a co-operative grant scheme. The Directorate has increased the number of co-operative grants to 14, with a total industrial contribution of £1·7 million compared with the Council's contribution of £0·9 million.

University Grants Committee

Britain's universities have been at the forefront of recent advances in biotechnology. The University Grants Committee is providing funds to strengthen particular centres of biotechnology, notably through the provision of new permanent posts.

Biotechnology and Industry

The improvement of links between industry and higher education institutions is seen as an important policy objective by all the bodies principally concerned – the Department of Education and Science, the Department of Industry, the Scottish Office, the University Grants Committee, the National Advisory Body for Local Authority Higher Education and the research councils. Activities in this area have not been restricted to the field of biotechnology, but have been aimed more generally at trying to increase the extent to which the work carried out in universities and polytechnics and the kinds of training that they provide are relevant to the present and expected requirements of industry. The Department of Industry's objectives are to assist the use by industry of the research facilities and results available in universities and polytechnics, and to improve the usefulness to industry of the teaching given at these institutions.

In November 1982 the Secretary of State for Industry launched a new long-term programme of support for biotechnology in industry (see pp 413-14, 1982) comprising: grants for consultancies and feasibility studies to create greater industrial awareness; increased support for innovation and assistance with demonstration plants to increase the volume of biotechnology research and development in industry; support for programmes (jointly with industry) at centres of expertise such as the Centre for Applied Microbiology and Research at Porton Down (Wiltshire); and the strengthening of the biotechnology infrastructure through, for example, industrial development of culture collections and improved access to information on biotechnology. The cost of the programme is expected to be £16 million over the next three years.

The Department of Industry has set up a new Biotechnology Unit at the Laboratory of the Government Chemist to promote and monitor these initiatives.

Shorter Notes

INDUSTRIAL AREA IMPROVEMENT

Three measures to improve the older industrial areas of England and Wales were announced in the House of Commons on 15 February by the Secretary of State for the Environment, Mr Tom King. A further eight areas are to be added to the list of 15 which, while not justifying a partnership arrangement, receive special allocations of urban programme resources (see pp 102-4, 1978). In addition, three more areas will be designated under the Inner Urban Areas Act 1978, entitling them to extra resources.

Turning to the two schemes launched by the Government to use public funds to attract greater amounts of private investment to older and more derelict areas of towns and cities, Mr King announced that planned expenditure on the derelict land programme (designed to secure development or improvement of derelict land) is to be increased from £45 million in the current year to £75 million in 1983-84. A special allocation of £10 million is to be made for reclamation on Merseyside.

The new Urban Development Grant scheme, launched in 1982 with the intention of using public funds to attract much larger resources from the private sector for urban regeneration (see pp 167-8, 1982) had attracted a substantial response and a first batch of 41 projects had been approved in principle. The projects included the restoration and conversion of derelict buildings for offices and industrial purposes, the conversion of run-down estates for inner city housing for sale, and recreational and sports projects. They involved about

£10 million of public money leading to additional private sector investment of £40 million.

Mr King said that the measures would 'ensure a greater concentration of effort and resources in some of our most needy areas and would provide substantial job opportunities. The Derelict Land Grant and the Urban Development Grant schemes were 'an exciting new approach in using public funds to achieve the maximum impact in those areas'; for a cost to the public purse of £40 million additional resources attracted from the private sector would lead to total investment of nearly £300 million.

Source: *Hansard*, Vol 37, No 59, cols 161-72.

SMALL BUSINESSES CAMPAIGN

The launch of a major publicity campaign aimed at raising the level of awareness of government schemes and sources of advice for small businesses was announced by Mr John MacGregor, Parliamentary Under-Secretary of State for Industry, on 3 March. The campaign will include press and television advertising, which, between March and June, will promote the broad range of government and other assistance available to small businesses.

Research and direct contact with the small business community, Mr MacGregor said, had regularly demonstrated a continuing need to increase awareness of the wide range of help and advice available. The campaign, therefore, was directed at owners and managers of existing firms to increase awareness not only about the Department of Industry's small firms service (see pp 211-12, 1982) but also about regional development grants (see p 363, 1982), British Overseas Trade Board services, local enterprise agencies, tax incentives and sources of advice within both the public and private sectors (see pp 80-2, 119 and 132, 1982).

Mr MacGregor said that another objective of the campaign was to increase awareness among bankers, accountants and solicitors, the professional groups which were often the 'front line' for inquiries from small businesses. The Institute of Chartered Accountants and the Association of Certified Accountants and the major clearing banks were supporting the campaign, and a firm of chartered accountants was organising a series of regional seminars aimed at the professional groups, including speakers from many institutions within the private sector. The campaign had been welcomed by the Confederation of British Industry, the Institute of Directors, the Association of British Chambers of Commerce and the National Federation of Self-employed.

Those who responded to the advertising would be sent a new and comprehensive guide, *How to Make your Business Grow*, which will also be freely available to the public.

Source: Department of Industry press notice, 3.3.83.

FREEPORTS

The Government's acceptance of the recommendations of a working party that two or three freeports should be established in Britain on an experimental basis[1] was announced by the Chancellor of the Exchequer, Sir Geoffrey Howe, in his Budget speech on 15 March (see p 103). The working party, which was set up in December 1982 under the chairmanship of the Economic Secretary to the Treasury, Mr Jock Bruce-Gardyne, had been asked to investigate customs facilities at freeports in the European Community and elsewhere with a view to deciding whether freeports would benefit industry and commerce in Britain. Advocates of freeports have argued that they lead to an increase in employment by stimulating exports and capital investment from overseas.

The working party was unable to identify any new tariff advantages, available within European Community rules, of freeports. However, there were a number of possible non-tariff advantages including simplification of customs procedures and economies of scale resulting from the physical concentration of facilities. The working party emphasised that the choice of locations for the experimental freeports (which should be both air and sea ports) ought to be based solely on considerations of demand and economic viability.

Source: *Freeports in the United Kingdom. Report of a Working Party under the Chairmanship of the Economic Secretary to the Treasury.*

VOLUNTARY WORK BY UNEMPLOYED PEOPLE

The Government has announced a big expansion of its Opportunities for Volunteering scheme, which gives unemployed people the opportunity to participate in voluntary work in the fields of health and the personal social services. The amount of money available is to be increased from £2·3 to £2·6 million for the year 1982-83, and from £1 million to £5 million for 1983-84.

Under the scheme, which was launched in May 1982, grants have been given for about 400 projects involving some 15,000 volunteers. The projects must be run by a voluntary organisation or group and help to meet the needs of people such as the elderly, the physically and mentally handicapped, and isolated young mothers and their children. The scheme is administered by a network of 16 national voluntary organisations including Age Concern, Dr Barnardo's and MIND (National Association for Mental Health).

Announcing the increased provision, Mr Antony Newton, Parliamentary Under-Secretary of State for Health and Social Security, said that the initiative had been universally welcomed for its

[1]A freeport or freezone is an area outside the customs territory of the host state, where goods can be manufactured, processed and stored without payment of customs duty, and subsequently exported. Customs duty and other internal taxes are payable only if the goods enter the home market. Nearly 400 zones, in 78 countries, offer freeport facilities.

flexibility, relative simplicity and the full participation of the voluntary sector in decisions. It had clearly unlocked much valuable voluntary work, such as assisting elderly neighbours or transporting elderly and disabled people to day centres and clubs, and was of benefit both to those taking part in the scheme as volunteers and those receiving services from it.

Source: Department of Health and Social Security press release, 2.2.83; *Hansard*, Vol 36, No 50, col 124.

THE STEEL INDUSTRY

Any part of the British Steel Corporation (BSC) could eventually be privatised, Mr Norman Lamont, Minister of State for Industry, told members of the British Constructional Steelwork Association on 8 March. Speaking about the Government's policy on steel, particularly privatisation and the restructuring of the industry as a whole, Mr Lamont said that the world recession and other international trends had had an especially dramatic impact on the steel industry. The European Community's anti-crisis measures (see p 8, 1978) were giving the industry time to restructure and to make itself efficient. The measures consisted of mandatory production quotas to restrict output, a guidance price regime, and the states aid code (to reduce excess capacity in the European steel industry). In Britain, said Mr Lamont, the BSC had rationalised its activities probably to a greater extent than any other enterprise in the country. The private sector of the industry, with the help of £50 million of government money offered since December 1981 (see p 417, 1982), had experienced a similar rationalisation. By the end of 1985, when the anti-crisis measures were scheduled to end, the industry should be in far better condition; already recent hopeful signs of a national upturn showed some prospects for growth in the steel sector.

The Government felt that these factors would facilitate the return of the industry to private ownership. However, the public and private sectors would have to work together and try and agree on how best to rationalise capacity and demarcate overlapping areas of business; the Government would be giving a high priority to this question in 1983. Much had already been achieved during the last few years including the sale of Redpath Dorman Long and the disposal by BSC of over £140 million worth of other surplus assets and subsidiary activities. The programme of forming new joint ventures with private sector companies had led to the placing of a number of BSC's interests with these companies. If these joint ventures proved profitable, it was hoped that the private sector would take over a controlling interest in them.

Source: Department of Industry press notice, 8.3.83.

BRITISH SHIPBUILDERS

The financial framework and duties of British Shipbuilders for 1983-84 were announced in the House of Commons on 23 February by Mr Norman Lamont, Minister of State for Industry. In recognition of the difficult and uncertain situation which British Shipbuilders is facing and after consideration of its corporate plan, the Government has decided to raise its external financing limit (the limit on the amount of money that a nationalised industry can borrow in any financial year – see pp 299-300, 1980) from £122 million for 1982-83 to £160 million for 1983-84. Within this framework, British Shipbuilders would have a continuing duty to make substantial and early progress towards providing an adequate return on the capital employed by it and its subsidiaries.

Mr Lamont also announced an extension of the shipbuilding intervention fund (set up in 1977 to help British Shipbuilders and the private sector of the industry to overcome the world-wide recession in shipbuilding – see p 123, 1977) as it was very unlikely that British Shipbuilders would be able, for the present, to secure orders for merchant ships without subsidy. The European Commission, Mr Lamont said, had recently agreed to Britain's proposal that the Government should make available £20 million of the intervention fund for the period January to July 1983, and that another approach would be made to the Commission in due course for a further slice of the fund.

Source: *Hansard*, Vol 35, No 39, cols 996-1000.

BL LTD

The Government has approved BL's 1983 corporate plan and its associated funding requirement, subject to the regular monitoring of progress. The result, Mr Norman Lamont, Minister of State for Industry, stated on 28 February in a parliamentary reply, will be that up to £100 million will be made available to the company if needed during 1983 and 1984. In addition, £100 million of the £990 million already available to BL under the Government's 1981 programme of restructuring and investment in new projects (see pp 49-50, 1981) is likely to be carried forward into 1983-84.

In 1981 the Government had agreed to fund the first two years of the 1981 corporate plan, to provide up to £620 million in 1981-82 and £370 million in 1982-83. The plan identified a need for a further £150 million of equity funding after March 1983, although no commitment was sought that this sum would be provided by the Government. The 1983 plan confirms that further funding will be required after March 1983, although the BL board has made clear its intention to seek private sector equity for the company's mainstream businesses within the next two years; in anticipation of the proceeds to be derived in this way, the request for further government funding in the 1983 plan has been reduced to £100 million.

BL's competitive position is expected to be strengthened by the launching in March of the Maestro, a medium-sized hatchback with electronic display, linked trip computer and voice synthesis systems, and the Land Rover One Ten, with coil-spring front and rear suspension, and permanent four-wheel drive.

Sources: *Hansard*, Vol 38, No 68, written answers, col 18; *British business*, 4.3.83 and 11.3.83.

PROJECT UNIVERSE

Project Universe (Universities Expanded Ring and Satellite Experiment), an advanced telecommunications research network involving satellite links, was inaugurated on 22 February by Mr William Shelton, Parliamentary Under-Secretary of State for Education and Science. It was originally conceived as an academic project, but expanded into a collaborative project between the universities, industry and the Government when its commercial potential was realised. Mr Shelton said that 'it provides a model of the type of joint project which is bound to become more common in future, and it proves beyond doubt that Britain is at the very heart of the information technology revolution'. The project 'has already established itself in the first division of telecommunications research in the world' and 'has indeed been cited as an example of an area of information technology where the research lead is passing to the United Kingdom'.

Participants in the project are British Telecom, Cambridge University, the Department of Industry, GEC, Logica Ltd, Loughborough University of Technology, the Science and Engineering Research Council (whose Rutherford Appleton Laboratory is responsible for co-ordinating the project) and University College, London. The task of Project Universe is to design and develop local and trunk communications networks to provide a variety of data services including electronic mail and other textual information, voice transmission, image transfer of slow-scan television or still photographs, and facsimile transmission. It combines ground-based Cambridge Rings (a local network developed at Cambridge University) and other types of local area network with satellite links to form a powerful new technique for high-bandwidth transmission of data between computers. Six sites in Britain are equipped with an earth station providing a two-way link to the European Space Agency's Orbital Test Satellite. The sites are the universities of Cambridge and Loughborough; University College, London (with a high-speed terrestrial link to the ring at Logica); the Marconi Research Centre at Chelmsford (Essex); British Telecom's Research Laboratory at Martlesham Heath (Suffolk); and the Rutherford Appleton Laboratory at Chilton (Oxfordshire). At each site a series of computing devices is connected to a network directly linked to the earth station at the site. In this way each computer at a particular site can communicate with all other computers at the same site via the local area network and with any computer at one of the remote sites via the satellite links. Digital transmission rates may be 1 million bits a second, 100 times faster than currently possible on leased telephone lines. Project Universe enables entirely new concepts in computer science to be investigated; for example, individual computers at separate sites can be made to work collectively and simultaneously on a single problem as though they were all located in a single room.

Source: Department of Education and Science press notice, 22.2.83.

INFRARED ASTRONOMICAL SATELLITE

The Infrared Astronomical Satellite, designed to perform the first complete survey of the sky to search for objects that emit infra-red radiation, was launched on 26 January and has already detected a large number of infra-red sources. It is a joint project: the spacecraft was built in the Netherlands, the telescope and the launch vehicle were provided by the United States, while control of the satellite and receipt of the data are the responsibility of the operations control centre at the Science and Engineering Research Council's Rutherford Appleton Laboratory at Chilton (Oxfordshire). Mr William Shelton, Parliamentary Under-Secretary of State for Education and Science, said on 21 February that Britain was playing a major role in the project, which he described as 'a first-class example of what can be achieved by international co-operation'.

The project will enable the first detailed infra-red astronomical survey to be completed, mapping out the sky to an accuracy of 99·8 per cent. The satellite has a telescope equipped with solid-state detectors kept at an extremely low temperature to maintain a high degree of sensitivity to infra-red radiation. Scientists and engineers from the three countries are conducting the mission and performing a preliminary analysis of the data at Chilton. A final catalogue of infra-red sources and a map of the infra-red sky will be assembled from the data at the Jet Propulsion Laboratory at Pasadena in the United States. On the first day after the telescope's protective cover was removed, over 4,000 infra-red sources were detected, comparable with the total number previously seen at these wavelengths. The detectors have proved to be 100 times more sensitive than those in previous telescopes. The life of the telescope should be at least 250 days, sufficient to produce a detailed all-sky catalogue of infra-red sources and special observations of selected sources, which will greatly extend knowledge of relatively cool sources in the universe.

Source: Department of Education and Science press notice, 21.2.83.

MICROELECTRONICS EDUCATION PROGRAMME

The Government's four-year Microelectronics Education Programme is to run for an extra two years until March 1986, at a further cost of £9 million. This brings the total to be spent by the Government on the programme to over £20 million.

The programme was launched in March 1980 to extend the knowledge and use of microelectronics and microcomputers in schools in England, Wales and Northern Ireland. (There is a separate programme in Scotland.) Priority is being given to curriculum development (especially in subjects such as science, mathematics, design and technology), in-service teacher training, and the development and supply to schools of more and better computer software (see p 135, 1980).

Announcing the extension, Mr William Shelton, Parliamentary Under-Secretary of State for Education and Science, said that the programme was acting as an important agent in establishing the effective use of microcomputers in schools, and it had been found that the microcomputer could be used throughout the curriculum. Few other countries were doing as much as Britain. Software and related items developed during the programme, and available to schools at subsidised prices, were becoming a valuable export commodity. The programme and its commercial partners were receiving a steady stream of overseas visitors interested in the achievements, and there was great potential for overseas consultancy services.

Many thousands of teachers have been on training courses set up under the programme and many thousands more will be able to attend in the next 12 months. The programme will also provide training materials for 50,000 primary school teachers over the next two years.

Under separate government schemes all of Britain's secondary schools have now been provided with a microcomputer, and it is planned to provide one to all primary schools by the end of 1984 (see p 276, 1982, and pp 117-18 and 336, 1981).

Source: Department of Education press release, 1.3.83.

DOCUMENTATION

Government and Administration

Boundary Commission for England: Third Periodical Report (see p 91).

Vol One: Report. Cmnd 8797-1. HMSO, £12·85. ISBN 0 10 187970 9.

Vol Two: Maps. Cmnd 8797-11. HMSO, £32. ISBN 0 10 187971 7.

Third Periodical Report of the Boundary Commission for Scotland (see p 91). Two Vols (Report and Maps). Cmnd 8794. HMSO, £20. ISBN 0 10 187940 7 (Vol One) and ISBN 0 11 187940 7 (Vol Two).

Organisation of Political Parties in Britain. COI, No 174/RP/83. (Spanish edition in preparation.)

Ombudsmen in Britain. COI, No 194/83.

Statement of Changes in Immigration Rules (HC 169) (see p 96). HMSO, £3·80. ISBN 0 10 216983 7.

Review of the Operation of the Prevention of Terrorism (Temporary Provisions) Act 1976 by The Rt Honourable Earl Jellicoe, DSO, MC (see p 92). Cmnd 8803. HMSO, £8·30. ISBN 0 10 188030 8.

Standing Advisory Commission on Human Rights (Northern Ireland). Discusses, among other things, the operation of the emergency powers and the proposals for legislation on data protection. HMSO, £2·95. ISBN 0 10 223083 8.

The British Crime Survey: first report, by Mike Hough and Pat Mayhew. A Home Office Research and Planning Unit Report. Home Office Research Study No 76. HMSO, £4·35. ISBN 0 10 340786 6.

Annual Abstract of Statistics 1983 Edition. HMSO, £17·50. ISBN 0 11 620006 5.

Public Bodies 1982. Lists members of public bodies (including nationalised industries). Management and Personnel Office. HMSO, £8·75. ISBN 0 11 630464 2.

External Affairs and Defence

The Handling of Press and Public Information During the Falklands Conflict. Observations by the Secretary of State for Defence on the first report from the House of Commons Defence Committee, 1982-83 Session. Cmnd 8820. HMSO, £1·25. ISBN 0 10 188200 9.

Sixteenth General Report on the Activities of the European Communities 1982. European Commission. Available through HMSO, £2·90. ISBN 92 825 3425 1.

Agreement between [Britain] . . . and . . . Mauritius concerning the Ilois, Port Louis, 7 July 1982, with amending Exchange of Notes, Port Louis, 26 October 1982 (entered into force on 28 and 26 October 1982 respectively). Cmnd 8785. HMSO, £1·25. ISBN 0 10 187850 8.

Exchange of Notes between [Britain] . . . and . . . the Lebanese Republic concerning the Deployment of a British Contingent for the Multi-National Force in Lebanon. (The Agreement entered into force on 31 January 1983.) Cmnd 8823. HMSO, 75p. ISBN 0 10 188230 0.

Economic and Scientific Affairs

The Government's Expenditure Plans 1983-84 to 1985-86. Third Report from the House of Commons Treasury and Civil Service Committee. HMSO, £5·15. ISBN 0 10 220483 7.

Public Works Loan Board. 107th Annual Report, 1981-82. HMSO, £3. ISBN 0 11 630689 0.

Britain's Invisible Trade. COI, No 160/RP/83. (Spanish edition in preparation.)

Freeports in the United Kingdom. Report of a Working Party under the Chairmanship of the Economic Secretary to the Treasury (see p 112). Available from HM Customs and Excise, Room 21/6, Kent House, Upper Ground, London SE1 9PS. £5.

Industrial Relations in Britain. COI, No 187/83. (Dutch, French and Spanish editions in preparation.)

Trade Unions in Britain. COI, No 185/83. (Dutch, French and Spanish editions in preparation.)

Caledonian MacBrayne Ltd. A Report on the Shipping Services Provided by the Company. Monopolies and Mergers Commission. HMSO, £9·25. ISBN 0 10 188050 2.

London Electricity Board. Monopolies and Mergers Commission. HMSO, £4·35. ISBN 0 10 188120 7.

Annual Review of Agriculture 1983 (See p 104). Cmnd 8804. HMSO, £5·85. ISBN 0 10 188040 5.

Britain's Post Office Services. COI, No 190/83. (French and Spanish editions in preparation.)

Regulation of British Telecommunications' Profitability (see p 108). A Report by Stephen C. Littlechild, Professor of Commerce, University of Birmingham. Department of Industry. Available from Department of Trade Library, Room LG37, 1 Victoria Street, London SW1H 0ET. £6.

Standards, Quality and International Competitiveness. Cmnd 8621. HMSO, £2·55. ISBN 0 10 186210 5.

Register of Quality Assessed United Kingdom Manufacturers (see pp 414–15, 1982). HMSO, £27·50. ISBN 0 11 513588 X.

Second Report, National Metrological Co-ordinating Unit. Available free from the NMCU, PO Box 6, Sell Road, Croydon, Surrey CR9 1LG.

Social and Cultural Affairs

Teaching Quality. A White Paper setting out the Government's plans to improve the quality of teaching in schools in England and Wales. The proposals cover the selection, training and deployment of new teachers, and in-service training for practising teachers. Cmnd 8836. HMSO, £3·40. ISBN 0 10 188360 9.

Promotion of the Arts in Britain. COI, No 19/83.

© *Crown copyright 1983*

Printed in England by Brown Knight & Truscott Ltd
and Published by
HER MAJESTY'S STATIONERY OFFICE
£1.50 net

Annual subscription including indices and postage £20.86

Dd 8298582 K8 MARCH/1983
ISBN 0 11 726960 3 Vol. 13 No. 3
ISSN 0039—6214